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SUPPLEMENTARY BIOGRAPHIC DATA

December 17, 1951

SADEQI, Gholam Hossein

Supplementing Embassy's CBD of January 17, 1951.

Career:

1929:	Left for France.
1937:	Received Doctorate in Literature, University of Paris.
1946-date:	Professor of Modern Philosophy and Sociology, University of Tehran.

December 12, 1951: Minister of PTT, Mosadeq's Cabinet.

Remarks:

The appointment of Dr. Sadeqi to a Cabinet post came as a complete surprise to most commentators, since he has never courted public office and has repeatedly expressed his disinterest in practical politics. Furthermore, as a Professor of Philosophy and Sociology, it is unlikely that he can offer much to the Ministry of Posts and Telegraphs. Aside from his active participation in UNESCO, Dr. Sadeqi has been an inconspicuous figure, unknown outside the University. It is believed that the appointment is probably temporary, designed chiefly to help fill the gaps in Dr. Mosadeq's ailing Cabinet until the elections are completed. No source was able to offer any information on Dr. Sadeqi's previous relationships with Dr. Mosadeq or other members of the National Front.

MRParrish/mrp
350.3

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SUPPLEMENTARY BIOGRAPHIC DATA

July 31, 1952

SADEQI, Gholam Hosein

Supplementing Embassy's CBD of January 17, 1951; and Embassy's Supplementary Biographic Data of December 17, 1951.

Career:

July 28, 1952: Appointed Minister of Interior in Dr. Mosadeq's Second Cabinet.

Remarks:

While Dr. Sadeqi has no special attributes which would qualify him for his new position, being a quiet, moderate and scholarly man, he is thoroughly trusted by Dr. Mosadeq. The Sadeqi and Mosadeq families are long-time friends; and while serving in the previous Cabinet Sadeqi proved himself a man that the Prime Minister could rely on, despite his disinclination toward practical politics. If the elections are to progress, the Minister of Interior should be such a man -- trustworthy and perhaps susceptible to pressure -- especially if the elections are to progress according to National Front designs.

MRParrish/mrp
350.3

FIELD INFORMATION REPORT

EVALUATION OF SOURCE: A: Completely reliable. B: Usually reliable. C: Fairly reliable. D: Not usually reliable. E: Not reliable. *(Applied to sources of doubtful honesty or loyalty, regardless of their competence).* F: Reliability cannot be judged *(Applied to untested or insufficiently tested sources).*

APPRAISAL OF CONTENT: 1: Confirmed by other independent and reliable sources. 2: Probably true. 3: Possibly true. 4: Doubtful. 5: Probably false. 6: Cannot be judged. Documentary: Based on original document.

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COUNTRY Iran
SUBJECT Interview with Gholam Hussein Sadeqi
1. Biographic
2. Opinions

REPORT NO. WIT-5626
DATE OF REPORT 27 July 1951
NO. OF PAGES 3
REFERENCES 0

DATE OF INFO. July 1951
PLACE & DATE ACQ. Iran, Tehran (17 July 1951)

SOURCE EVALUATIONS ARE DEFINITIVE. APPRAISAL OF CONTENT IS TENTATIVE. NOTE FOREGOING EXPLANATION.

SOURCE: Competent American observer (B).
Appraisal of Content: 2.

1. Biographic data on Gholam Hussein Sadeqi, National Front (NF) council and executive committee member, follows.

a. Age: 55 years.

b. Education: Educated in Iran and France; has earned a doctorate.

c. Languages: Persian, French, Arabic, English (reads technical works but does not speak).

d. Occupation: Professor of philosophy and sociology at Tehran University.

e. Travel: Has visited most European countries, including England; Egypt; Lebanon; Turkey; and Afghanistan.

f. Sadeqi is married and has two daughters and one son. He is a man of medium height, for an Iranian, slim almost to the point of being gaunt. His head is bald, with a fringe of graying hair. He peers out somewhat owlishly from behind his glasses, beneath rather bushy eyebrows.

Sadeqi formerly owned a home opposite the American Embassy in Tehran, but after his release from prison he was forced by economic necessity to sell this home, at which time he and his family moved into what had been his father's house, and where his mother was living. This latter house, in which he still lives, is located far down in Tehran, in what was once a good neighborhood, but has since been overrun and is now definitely middle class, being composed of modest homes crammed together among serpentine alleyways. The house itself has been rebuilt during the past few years, and is a modest, modern, but not flashy, and neat home. The house stands in contrast to the "ruins," as Sadeqi puts it, that surround it.

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g. Sadeqi was not in politics until the advent of Mohammed Mossadeq, at which time he became minister of [illegible] and Telegraph and then Minister After the fall of Mossadeq, Sadeqi was imprisoned for [illegible] of Interior. Sadeqi has long been an influential member of the faculty of the University of Tehran, and has served on numerous international educational commissions, including, for several years, the UNESCO commission, of which he was also chairman. He has been intimately associated with the NF, and predecessor groups, since his release from prison. He is one of the most influential leaders of the NF council, and on 11 July 1961 was officially made a member of the executive committee of the NF, along with Allahyar Saleh.

h. Sadeqi speaks in a sing-song voice, characteristic of old-style Iranian gentlemen. He is quite professorial in his manner, and speaks, if unchecked, at great length, almost interminably once given his head. He covers a great deal of territory on the way to his point, at which he arrives after several diversions. He is a man of considerable personal vanity, who sees himself first as a "scientific" man (a student of the social sciences). He sees this "scientific" background as the basis for most of his statements and projections. He tends to talk, and presumably to act, on a theoretical, or philosophical, basis. While he does not appear to be possessed of a great sense of humor, he is nonetheless quick in his appreciation of the tone of a comment or question.

Sadeqi's excess of verbiage tends to give an impression of windbagginess, but in spite of this, there pervades his personality an impression of strength and decisiveness. He appeared to be quite candid in expressing the following opinions, and indicated that he was willing to make the same comments for any audience.

2. The following are opinions expressed by Sadeqi on various political issues.

Economic Aid. First, there are two kinds of economic aids: loans and grants. Loans are less acceptable to us than grants which are without any conditions attached to them. Since 1951, the aid that the United States has given to our country has been very great, indeed. Unfortunately, this assistance has not been used properly. It should be spent for developmental or productive works. It was unfortunately not used for such projects, but rather for relatively useless affairs and for non-productive matters, such as our military establishment. How much better if all this had gone to some productive use! Not only the loans and grants that you have given us ov over the past ten years, totaling over a billion dollars, but also all of our national income, including the great amounts that we have received from our oil industry, have gone into things that have not been designed for the profit of our nation. Much of it has been wasted. Much has gone into ill-advised programs. And I fear that much of it has been stolen, misappropriated or otherwise made off with. Too much has been spent for things that are not important. Without accurate, precise and legal supervision, entirely too much money has gone into too many private pockets. Before we embark on programs of expansion and development, before we incur debts that will take years to repay, we must collect, we must gather our national resources, material and spiritual, and make efforts to raise ourselves up. We must first weld ourselves into a unit, which we have not now, and the way to do this is through the reforms that can come about politically. We must have some belief in our own capabilities to do something, and we must first raise ourselves to such a position as to earn the confidence and respect of foreigners, to assure them that the money that they give us, as grants or as loans, will be properly utilized and for proper purposes. Until such time as we can do this, we should try to refrain from asking for additional help. On the other hand, of course, we are needy. We cannot wait for all this to come to pass. We must remember that the Lord helps those who help themselves, and do what we can to earn the assistance of others. But we look at the past eight years, and we become very depressed. However, we

recognize that we should not accept aid from just a single country, nor should we accept aid from any country that puts conditions on its aid in order to serve political interests other than our own.

Technical Aid. Among the possible foreign advisers who could and indeed, who have, come to our country, there have been and are many different kinds. Not all of them have been helpful. I believe that we have a definite need for advisers from abroad; I am very sorry to acknowledge that there are many technical fields in which we are very, very deficient, but it would be much better if they were to come from countries that do not have particular political motives in this country. We have had one hundred and thirty years of experience under the domination of one foreign country or another; to such a situation we are not strangers. But we have developed a great distaste for such things. Since we are quite certain that every Soviet technician, as well as any other Soviet organization or institution, is subordinated to the international political philosophy and goals of the Soviet Union, we could not accept Soviet technical advisers. For the last nine or ten years, the United States has played a serious role in our political life, and I cannot be certain that the United States can divorce its technical assistance from its political aims.

Aid from the Soviets. The only aid that we could possibly accept from the Soviet Union would be grants, not loans, given entirely without conditions. We fully recognize that we face no other danger, from any other country, as great as that which we face from the Soviet Union. Our independence, our nationality, our traditions, our religion - everything is endangered by the Soviets. I told the people here at my house last Friday [illegible] For years it has been Sadeqi's custom to hold a kind of open house each Friday at his home. The government has often told Sadeqi to stop this practice, but he has not done so, and each Friday finds a large group, numbering sometimes over one hundred, at his house. [illegible], when one of them asked a question about the Soviets, that one could easily imagine the continuation for one hundred and fifty years of the present relationship with America, and at the end of that time, no one would expect Iran to be another state in the United States. But, I told them, in less than five years, if the Soviets were to gain the upper hand, Iran, as an entity and as we know it, would cease to exist, forever. To give the Soviets an opening for their propaganda and political infiltration in Iran would be suicide. Iran has old ties with the West. While we are often considered a part of the Orient, we have traditionally had more of an orientation toward the culture and civilization of the West. And we know that, as I mentioned, all Soviet organizations, institutions, personnel, whatever they may be, are devoted to the pursuit of the Soviet ideology. Mossadeq - we - made many great mistakes, but the great contribution of Mossadeq was this: he showed the Iranian nation that there was an alternative to the corrupt regime of the old reactionaries and people around the Shah other than the Communists. He showed that there is a third way that Iran can choose.

Neutralism. I have to reject the word "neutralism." I do not believe that, in the world of today, a nation such as Iran can be really neutral. I want, and I believe that this is true [illegible] my friends in the NF, real independence for Iran in international affairs. We want to be able to accept or reject relations with foreign countries on the basis of whether they are in the best interests of Iran or not. We cannot be truly neutral today. Willy-nilly, we must recognize that we must maintain relations with other governments, and the ramifications of this are such that real neutrality - that is, not being more closely aligned with one side than the other - is an impossibility, both internally and internationally. The world is in two parts: the Soviet Bloc and the West. One cannot stand apart from this situation entirely. And the people of Iran are becoming more and more aware of the situation, as well as other facts of life. They are much more informed than they were ten years ago. They recognize now, more than ever before, what is going on in the world, and in Iran. Even with full independence, we could not be neutral in the way that Sweden and Switzerland are neutral.

But the interests of Iran must come first, and we must be free to pursue them. It is what I prefer to call flexible or mobile neutrality. But I have already expressed myself about the Soviets, and I am sure that Iran is, and will continue to be, inclined toward the West.

CENTO. You can find the answers about CENTO in the United States. What do your newspapers, your statesmen, your best news analysts, and many others say about CENTO? Even some of your senators, such as Humphrey and Fulbright, see that CENTO is not worth very much. What is the basis for CENTO? Could it be anything than the defense of certain regimes against threats from one place or another? Are the economic and social aspects of Cento the real meaning of the thing, or are they just so much window dressing? Can CENTO do its primary job of defense at the present time? I think not. No one is even willing to accept the post of secretary of the organization at the present time. In addition to the fact that it is rather useless and incapable of doing its basic job, I am afraid that it is a contributing factor in the war of nerves, the cold war. But there seems to be no need to agitate against CENTO, nor to work for its dissolution. After all, what happens to one's arm if he does not use it for a great period of time? Atrophy. And that will be the end of CENTO too. After all, we had our Sandhurst Pact. Was it ever amended? No. But it no longer exists as a meaningful instrument.

Bilateral Pact. Clearly, the basic premise of this document is the defense of Iran against aggression. I feel that support for Iran against outside threats could be handled in a better form, primarily through economic and moral reform of the country, in order to make it a viable entity. This can be done through help, technical advisers, and so on. Although the Soviets might not be happy with such progress in Iran, at least it would not antagonize them or provide them with a pretext for attacking Iran. As far as I understand it, this bilateral agreement is not incompatible with our independence, but neither is it a great help for us.

Size of Military. I am not an expert in this field, and only an expert can give you the proper answer to this question. But it is quite clear even to me that devoting fifty per cent of the budget of an underdeveloped, even backward country like Iran, to the military establishment is clearly inconsistent with good sense. I can also see that if the military budget were to be divided equally among the ten hundred thousand soldiers and non-commissioned officers, you would see an amazing result. It is clear that it is not the soldiers who get the money. With the present level of training and equipment, perhaps we do not have too many troops for our needs. But I am certain that with improved quality, we could rely on much less, in terms of quantity.

Goodwill Mission to the USSR. I am not one hundred per cent certain that this is the case, but the French word for it is chantage. It is nothing more than blackmail. Whenever the government wants something, and that something is not quickly forthcoming, whether it be more money or a public re-affirmation of United States support for the regime, they look toward the Soviets and smile, simply to blackmail the Americans. The interesting thing is that it works. I see a considerable difference between the way President Eisenhower approached this problem and the way President Kennedy does. With Kennedy's statements that aid will not be given to a country merely because it says it is faced with a Communist threat, the Shah has felt a sudden chill. Recently, with the talk of this goodwill mission, apparently he tried to play it again, but it seems that it did not work this time. The Soviets are no fools, either, and they will use every advantage that they can get out of such a situation.

Recognition of Communist China. Should the world permit these hundreds of millions of souls to wander loose around the world, without any controls, without any sanctions, without any supervision? In a world that is striving to bring about order, should such a great mass of people be left out, rejected

and permitted to behave as criminals if they will. Can we ignore these millions and count the Nationalist Chinese as greater? They should be recognized and admitted to the United Nations. It does no good to leave them around loose. They should be brought into the international community and made to feel the weight of world opinion and pressure, as do other nations.

Oil and the Consortium. Apparently the interests of Iran are not being sufficiently maintained. This has been acknowledged by Prime Minister Ali Amini, Matin-Daftari, and numerous others. Twelve university professors were fired from their jobs for publishing a statement complaining about the defects in the consortium agreement. Last year, at one of our public meetings, I told the audience, "In social affairs, something can be accomplished either by revolution or through the application of legal processes." I still feel, as I did then, that we must achieve revision of the consortium agreement only through reasonable and calm discussion of the matter with the other parties concerned. I feel that the agreement should be revised, but were I to become prime minister, I would permit it to stand as it is until such time as we could proceed toward its reform through legal and reasonable ways. The essence here is that the law must be our guide. The only way we can reasonably expect to alter the consortium agreement is to do so through friendly negotiations, and to have the results of these negotiations ratified by a legally chosen and honestly representative Majlis.

The Shah. We are completely willing to work with and live with the Shah. We cannot separate the Shah from the tradition of the monarchy, a thing that has deep roots and great significance in Iranian tradition. I know the Shah quite well. I have often had dealings with him as a minister. If he should decide to reign and not rule, he would encounter no difficulty with the NF, but would, on the contrary, find himself respected and honored as never before. The people have great love and respect for the monarchy. I recall that when the late Shah was shot at the university twenty years ago, I was at home, and when we learned of it, my wife and our servants wept, and I myself was deeply affected by the affair. Unfortunately, the present Shah has personally lost much of this traditional respect through his personal interference in governmental affairs. He could regain much of his old stature if he chose to do so. There is a great subtribal strength among the people, and this could be devoted to the Shah, and he could serve well as a symbol of its unity. All we ask is that the Constitution be respected, as we respect it at every turn in our affairs. If he complies with constitutional provisions, we can surely live and work together. On the other hand, though, we of the NF cannot go forth and prostrate ourselves before the Shah at this point. Let me note, further, that I do not believe that it is now the time for a republic in Iran.

Elections. Prime Minister Amini said during the past elections that the salvation of the country depends on the principle of parliamentary democracy. He has since talked much about the elections. He asked me to wait. He asked the Supreme Court to rule on the question. We waited. The Supreme Court has ruled that the law is sufficient, that it cannot legally be changed without a Majlis, and that elections cannot be legally postponed any longer. We are anxious only to see that the law is observed. This is the first reason for which we demand elections: we do not believe that the Constitution can be suspended. Secondly, there is all this talk about the likelihood of a military dictatorship taking over if Amini goes. Such a thing could not be a success, except through the assistance of a foreign power. And furthermore, what have the past eight years been for Iran but a dictatorial regime based on the power of the military? But if a new form of military dictatorship should come, it would be only a bigger mistake. The only way to avoid this is to give greater freedom, and "they" do not want to do that. Both the internal and the international situations are such that they will not permit the continuance of things as they are in Iran. Incidentally, if the government will not let the true feelings of the

people, as expressed by the TP, gain any strength, then the Communists will benefit. We must put the government into clean, strong, capable hands, in order that no opportunity be given to the Communists. Further, who knows what might happen in Iran in the next three or four months? The only institution on which we can actually and truly rely is a Majlis, a genuine, representative Majlis. We do not want just to have a TP monopoly in the Majlis. We do not want all the seats for ourselves. We believe that the people are willing to give their votes to the TP overwhelmingly in the cities. And in the rural areas, even if landlords and others are sent to the Majlis, they will be good servants, too, if they realize that their being there is dependent on the will of the people who vote. It is not enough that the government refrain from interfering in the conduct of the elections, although that is vital, of course. The government also must insure that other elements do not improperly interfere with the elections, as they have done so blatantly in the past. Then, even if landlords are elected from the villages, as they recognize that the Majlis is the refuge of the nation, they will perform good services for the country.

Ali Amini. I do not feel that Amini has had any bad will toward the TP. He has not been maliciously motivated against us. But he has shown himself weak. We thought that if Amini talked to the Shah and told him the truth simply and directly, that the Shah should not interfere, he could have done a great deal better. But Amini wanted too much to be the prime minister. And he has shown that he is not very strong. But Amini has been no friend of ours, either. Perhaps he has wanted to help the TP, but we can see, from the course of events, that he has not been able to get any place. He yields to everyone who puts pressure on him. Consequently, the freedoms that he had given have been taken away, to the point that we can no longer put our announcements in the newspapers.

Land Reform. I am a sociologist, and I am familiar with the background and development of these things. This socialist principal of doing away with land ownership is not at present practical in Iran. We, I repeat, stand for the proper connection of the Iran. And the law does not permit the expropriation of one's property. So we are not ready. Then what should we do? This talk of the division of land is not good for the country. I have studied this at length. Limits should be set on ownership. Other countries have done this, and now it is reaching Iran, after having been around for several years. This is something that is inevitable here, and necessary. But there are so many problems that have to be solved first. We must decide that, say, three hundred hectares is enough - or is it too much? Land varies greatly from place to place. But even more important, the amount of water varies even more, as does the source of the water. Is it the same, for instance, whether a man gets his water from a thirty-kilometer qanat, which needs constant repairs and maintenance, or he gets it from a river which flows freely and constantly by his property? The provision of water is more important than the exact division of the land. At any rate, we must follow the proper path, legal and fair and scientific. Still, too much is needed right now, and all the hue and cry that is raised is harmful. Surely some of the excessively large holdings, which are far in excess of one's needs or capabilities to care for, could and should be curtailed. But cooperatives, agricultural banks, water supplies - too many things must come before we can have a real program of land reform.

Steel Mill. I am not a technician, and this is a one hundred per cent technical question. There has certainly been a lot of noise made about this, though. I cannot know whether I am for or against such a project until it has been subjected to proper scientific study. Would it truly work? Would it be satisfactory? Are the raw materials available? Where should it be? Do we have what is needed to make a steel mill work? Do we have the right things in the right places? All this must be studied scientifically, in order to learn the answers. Such a project would require a huge outlay of capital, and we cannot do it if it would not be scientifically and economically

justified. It seems that everyone has got quite excited over this issue, and everyone poses as an expert. And, unfortunately, the government has not been any better in this respect than the ordinary people. They have had many groups in here to study this question, and each time the answer comes out different. We have the misfortune of believing that, while it would be foolish to go to a tailor to get a pair of shoes made, there is not much difference between people qualified to handle political matters and those who can handle economic affairs. We have to learn to let the right people do their jobs, and quit getting politics and economics mixed up.

Tudeh (Communist) Party Strength and Capabilities. In practice, at the present time, they can do nothing. There is not anything that they can do as opposed to the TP. They do not have the strength, nor the organization, nor the public support necessary for them to be a danger at the present time. Potentially, however, they are very dangerous. Every day that reform has to wait, every day that oppression and the lack of freedom continue, every day that the cause of "democracy" and "freedom" and "liberalism" are further discounted here, the danger of Communism grows. Khrushchev told Walter Lippman well enough what the situation is here. The Communist operation is small and trustable, but the revolution will come anyway, because it is being made by the ruling class. That is the danger; the Communist Party here is not significant.

TP Organizational Strength and Weakness. Our organization is far from perfect, because of the handicaps under which we have had to work due to the government's conduct toward us. We have been ordered not to establish branches in the provinces, not to publish a newspaper (which had been promised to us previously), and we are not even allowed to have our sign on our clubhouse. After all, we have only been in business less than a year, and of that time, there have been only two or three months when we have been able to be relatively open. Our strength, of course, lies in the fact that the people have an overwhelming inclination toward the TP. This is not enough, however; we must have a widespread organization, active in all the provinces, in order to keep the people informed. We need programs and organization. We are working on both. We have people working on our social, political and economic programs right now. The biggest obstacle to our successful organization remains the opposition of the government.

Political Freedom Movement of Iran [MPI]. Their record shows that they are extremist and extremely lacking in proper discipline. In spite of the fact that the MPI is trying very hard to gain membership in the TP, we do not want them. They have not been accepted and are not likely to be. I, for one, will vote against them. My word for all our activities is power & control (order and discipline). No one can expect to run even a small household without order. This is even more true of a political group.

Differing Party Ideologies. There are no important differences between the Iran Party members and other members of the TP. The government and other enemies of ours, want to split us, and they have such reasons current. We are as one.

Who is the leader of the TP? There is immense respect for Shamsabadi. On this there is no doubt. Had even should he be able to return to Tehran, he is too old, physically too weak, to be able to plan an active and leading role in the TP. Our work is accomplished through consultations; we have collective leadership. But I, as well as the others, have great respect for Allahyar Saleh. He has the necessary position and reputation. I would vote for Saleh. Bazargi is himself regarded by many as a prime contender for leadership of the TP, primarily due to the fact that he is more firm, direct and outspoken than courteous and mild Saleh. Bazargi's comments here were obviously dictated by "wishful."

United States Help. Our two countries have been associated for about one hundred and thirty years, since the first missionaries came, bringing their schools and hospitals and good works. We can divide these years into two periods. The first, from the 1830's to about 1952, was the period of disinterested United States' assistance to Iran. During this period, the United States became loved as no other nation has been. From about 1952 on unless the second period. It was at about that time, according to Anthony Eden's memoirs, that the British were able to mislead the United States Government, and secure their help in overthrowing Mossadeq. Since that time, the love and respect of the Iranians for the Americans has almost disappeared. We would like to see the beginning of a third period of Iranian-United States relations, one that resembles the first, and one that reflects the things from American history that make the United States the great nation it is. One of the documents I use in my classes is the United States Declaration of Independence. Some of your early and great statesmen, including Jefferson and Wilson and Roosevelt, to mention only three, have been greatly admired by us. We hope that the third period of Iranian-United States relations will soon begin, reflecting the things that we admire. Again Iran could love the United States, as it did before.

FIELD INFORMATION REPORT

EVALUATION OF SOURCE: A: Completely reliable. B: Usually reliable. C: Fairly reliable. D: Not usually reliable. E: Not reliable. *(Applied to sources of doubtful honesty or loyalty, regardless of their competence).* F: Reliability cannot be judged *(Applied to untested or insufficiently tested sources).*

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COUNTRY	Iran	REPORT NO.	[redacted]-5747
SUBJECT	Interview with Seyed Mohammad Ali Moshevere-Zadr, National Front Member	DATE OF REPORT	7 November 1961
		NO. OF PAGES	6
		REFERENCES	[redacted]-5722
DATE OF INFO.	October 1961		
PLACE & DATE ACQ.	Iran, Tehran (30 October 1961)		

SOURCE EVALUATIONS ARE DEFINITIVE. APPRAISAL OF CONTENT IS TENTATIVE. NOTE FOREGOING EXPLANATION.

SOURCE: Competent American observer (B). Appraisal of Content: 2.

Field Comment: This is a report of one of several interviews that will be held with members of the National Front. The American observer, because of his friendship and lengthy relationship with members of the National Front is believed to be in a position to develop useful and forthright information. He possesses connections in the National Front which make it possible to meet obscure and isolated members of the central council on a basis of trust and confidence.

1. Biographic data on Seyed Mohammad Ali Moshevere-Zadr, National Front (NF) spokesman and member of the executive committee, follows.

   a. Age: 57 years.

   b. Education: Iranian primary and secondary schools; law degree from classes conducted by the Iranian Ministry of Justice.

   c. Languages: Persian.

   d. Occupation: Lawyer.

   e. Travel: None.

   f. Other: Moshevere-Zadr is married and has three sons and two daughters. One son, Mashang, is a first-year student in the Tehran University Liberal Arts College and is active in NF student affairs. Another son is currently studying in Germany. Moshevere-Zadr is about five feet eight inches tall and of medium build. One of his most prominent characteristics is a booming, deep voice which is surprising in that it originates from so slight a frame. Moshevere-Zadr lives in

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a moderate, middle-class house in a relatively new area of Tehran just north of Khiaban-e-Sohhak Jumhid.

Hedayatu-Sadrein enthusiastically active for the NF, serving as its public spokesman and a member of the NF executive committee. He is well suited for his role as spokesman in that he is an eloquent speaker who enjoys talking about his subject. He is not, however, trusted universally by other NF members, particularly among the younger ranks. He has been accused and suspected of working for the National Intelligence and Security Organization (SAVAK), but the accusation has not been proved. He is more often described as being loose with confidences, and one frequently hears the statement among younger NF members to the effect that if you really want to learn the NF secrets just talk with Hedayatu-Sadr because he cannot keep his mouth shut. It has definitely been established that Hedayatu-Sadr is in contact with the chief of the Tehran SAVAK office and the chief of SAVAK; however, this contact, as far as can be determined, has been restricted to giving the SAVAK officials the NF policy line, negotiating the release of NF members who have been arrested, and so forth. Usually, Hedayatu-Sadr clears these contacts with Karim Sanjabi, chairman of the executive committee, prior to the meeting. Although Hedayatu-Sadr has been a target for removal from the leadership capacity by the younger, more active NF members, thus far he has succeeded in maintaining his position. This may be due largely to his enthusiasm and the fact that he served Mohammad Mossadeq in several capacities.

Hedayatu-Sadr has worked for the Ministry of Justice in Khorramshad (his wife's home town) and Mashad. In 1946 he created a branch of the Democratic Party of Iran (Qavam-Es-Saltaneh's party) at Khorramshad. In 1948 he cooperated with the leaders of the Istiqlal Party. He represented Khorramshad in the Fifteenth and Sixteenth Majlises. He is proud of the fact that he served as a member of Mossadeq's faction in the Majlis. He was governor-general of Gilan and of Isfahan under Mossadeq in 1952 and 1953. He claims that he was sent to Gilan by Mossadeq to clear up the Tudeh (Communist) Party situation there, which he did by arresting a large number of Tudeh Party members. He claims that Mossadeq sent him to Isfahan at a time when the Tudeh Party had the Isfahan factories shut down in a toiling strike, and that he arrested the Communists and settled the strike.

2. The following are opinions expressed by Hedayatu-Sadr on various political issues.

Economic Aid. The NF would accept economic aid if it were used for the good of the people. If such money is employed in raising the standard of living of the people, it is useful; but if it is used to suppress the people, to take their freedom away, it is bad. If the economic aid is being stolen by individuals for their own gain, economic aid is bad. If the money is used for developing small industries, constructing the factories, aiding in the conservation and expansion of water resources, economic aid is good for a country. Iran needs economic aid, but it does not need it if it is only aid for the thieves. Loans are being made which the people of Iran are morally obliged to repay. However, the people are not benefiting from the loans. They are being placed in a state of indebtedness by them.

Technical Aid. If the technical aid is used for peaceful purposes, if it is used to raise the standard of living of the people, it is useful. Iran does not have the technical ability it needs. We must try to educate our children in the fields demanded by the country's needs. We must try to employ efficiently those of our population who have already been educated abroad, instead of wasting their education as is being done today. We need technical assistance and advice for the construction of dams, for planning our land-reform program, for developing our agricultural standards, for example, advising us about fertilizers. We need advice in all of these fields and many others.

Soviet Aid. The value of economic aid in lack of political motives can be questioned as to the granting of the aid. Economic aid to Iran cannot be accepted if it has political strings. The Soviets will not offer aid free of political strings. If the Soviets would give industrial and agricultural aid without political overtones, we could accept it, but this is most unlikely. It would probably be better if the Russian government accepted no aid from the Soviet Union than was the political price inherent in such aid. Wherever there is Soviet assistance, there is always political intrigue involved. The English are this way too. When they give a country economic aid, it is only to meet their own objectives. If Iran were free, a democracy with the government in the hands of the people's representatives, the nation would be better off if we had good relations with all countries. However, Iran must always be cautious of the Soviets because of the border. Whenever a country itself is not free, the people cannot be too concerned with such subjects.

Neutralism. The concept of neutralism is a tenuous question because no country can ever be neutral. A country must always take a stand, and that stand should be in the direction of the country's own best interest. India is not neutral; it is looking after India. It is in the Afro-Asian group, so it is committed, not neutral. Iran is much different from India, so we would not be able to be like them; we have too long a border with the USSR. The NF view on this point is that Iran must look after its best interests. The NF believes that Iran must rely on the strength of the United Nations to protect Iran's independence. The NF is not Communist or pro-Soviet and it cannot ever be. The NF cannot cooperate with the Communists; we believe that Iran's future lies with the Western democracies, not the Soviets. You must remember though, that Iran's best interests should come first.

CENTO. The NF leaders were in jail when CENTO was formulated, and we are not now informed as to its extent to enable us to judge its merits. The Iranian people are not kept well informed on such matters. Before we can pass judgment, we must first study the problem. I can say that we have seen no results of benefit to Iran growing out of CENTO, but I cannot express a complete opinion without further information on the subject. The NF must study all the evidence, weigh the pros and cons, then decide what is in Iran's best interest. Since the government does not inform the Iranian public, the NF is in the same position as the people.

Bilateral Pact. Like the CENTO subject, the NF does not have sufficient information to judge the situation because we have not read the text of the pact. We must first study it. If we could foresee such economic benefits for Iran, for the people of Iran, than the proportion of bad contained by its existence, the NF would accept it.

Size of the Army. Iran needs an army, but its size must be proportionately different in relation to the country's economy and budget. The army is not a weapon for use against the country's own people as it presently is being used. American statesmen themselves have said that a 200,000-man army is being maintained in Iran solely for use against Iran's people. We must study the exception of other countries. We must determine what size army is required to maintain internal peace. An Iranian army can never have as its goal the containment of the Soviet Army; therefore, our requirements are different than those of the Americans. We must study our requirements for other than international war and get the size accordingly. I think it can safely be said that the size of the army should be reduced.

Communist China. The NF has no interest in this subject at the present time. We have so many more pressing problems, that we have not had the time even to consider the situation. Iran's position should be determined in conjunction with United Nations action. We have made no decisions on this subject. This is not an important question for Iran. We have too many internal problems to worry about before we can become concerned with the recognition of Red China.

Oil and the Consortium. Our first concern is that the production of Iran's oil industry be expanded for the good of the people and not for the personal gain of a select few as is presently the case. Oil revenues must be handled for the benefit of the Iranian nation; I can say, however, that Iranian oil will never fall into Soviet hands. We have not yet decided to make any changes in the present consortium arrangement. We do not have sufficient information on the subject as we were in prison when the consortium was set up. This is not my specialty; for information on this subject, you should talk with Qasem Rashid.

The Shah. Iran has a constitution and the NF believes in it and supports it. The Constitution as written is good for the Shah and for the people, but it must be enforced. The Shah cannot be the government himself. There are two sides, the Shah and the people. The Shah cannot be both sides. Iran must have a parliamentary government; this is not too much to ask. If Iran has a government responsible to the people, with representatives elected by the people, with a government free to function, the NF would be able to cooperate with the present Shah. It is possible, if not probable, that the Shah will be able to break the habit of rule by personal whim and permit a free government. The first step must be a free and independent Majlis.

Elections. There must be free elections. A Majlis is needed before the election laws can be changed. Ali Amini is not a legal government. He is remaining Prime Minister at the Shah's behest, not the people's. If a free election is not held soon, the people of Iran will become very dissatisfied. If an election is held, the NF probably will elect thirty to forty representatives from the large cities--Tehran, Esfahan, Tabriz, Shiraz, and Mashad. The NF does not have candidates in the smaller cities, but we are sure the people will elect candidates sympathetic to the NF. When you have a situation like you have now in Iran, you do not have a legal government. You do not have any means of approving loans legally--that Chamber of Americans loans. The Majlis must approve all expenditures. If the elections are not held soon, discontent will increase and more and more of the people will turn to Communism as the only hope. The Soviets do not want elections held because they are aware of this fact.

Prime Minister Ali Amini. In our opinion the Amini government is illegal and should not be continued for one more day. The people of Iran do not accept him. He has talked much but he has accomplished little. He has arrested a few thieves but this is hardly a start. When Amini first took office, he could have accomplished much for Iran--it was within his power--but he did not. Now, Amini is only concerned with staying in power. He let former Prime Minister Manouchehr Eqbal get out of the country. Amini has become another Eqbal. In reality the Shah has become Prime Minister again and this is without question against the country's constitution. In our constitution, the Shah has no responsibility, but the opposite is true in today's dictatorship. Amini is ill-informed if he is informed at all. Amini does not like the NF, which opposes him. Amini is unable to accomplish anything and probably will fail soon. The people just will not accept this type of government. The people of Iran are very unhappy. If the election is not held soon, the people will resort to violence. The situation is becoming so serious that the people may well be driven into the hands of the Communists.

Land Reform. The NF does not have the information or facilities required to make final decisions on this subject. I think there must be land reform--serious land reform, not the present ludicrous efforts. The problem must be studied thoroughly. It is not as easy questions; problems of administration, water supply, ability of the Iranian farmers, must be considered. Amini is ridiculous when he poses land reform as subject to easy solution. It is apparent that the Shah and Amini are not serious about true land reform.

Steel Mill. This is an important question for the Government of Iran because we need the iron and steel for the manufacture of machinery, but I do not have enough information on this subject to speak intelligently. We need many things before we can consider a steel mill. The government's budget must be studied to determine first of all whether the means for building a factory exist.

Tudeh (Communist) Party. The Tudeh Party is not prominent in Iran. It is possible that some of the Iranian people harbor Communist ideas. If the present dictatorship continues, it is very possible that you will see the strange sight of many Muslems being driven into Communism by desperation. If a nationalist government were permitted to operate, it would reduce the causes of discontent and thus reduce the dreaded possibility of a Communist regime in Iran. Iran should not become involved in a general global war with the Soviets, but Iran should do everything it can to keep the Iranian Communists weak. If a people's government were in power to arrest the thieves, give the people more freedom, correct the budget, the strength of the Communists in Iran would be lessened. Every day that Amini is in power, every day that the dictatorship continues, the Tudeh Party will continue to benefit. If the elections are held soon, the Tudeh Party will lose support. The NF is opposed to Communism. The government has accused the NF of being Communist; if officials tell us the names of the Communists in our ranks, we would summarily kick them out. There are many Tudehites and ex-Tudehites in the Amini government. Look at Mohammad Darvishzadeh and Nur-ed-Din Alamuti. It is quite possible that they will return to Tudeh ideas. Then where would Iran stand?

Strengths and Weaknesses of the NF. The strength of the NF lies in its support by the people. Look at the University of Tehran. Ninety per cent of the students support the NF. Except for thieves, the present ruling group, and the big landowners, most of the people support the NF. The government will not let us organize in the provinces and among the workers and the government employees. This is our real weakness. The lack of widespread organization is a weakness of the NF; and it is this weakness that forces the people to turn underground to Communism to work off their discontent. Our support is clearly shown by the public response to our meetings in Tehran last spring. Now, the NF must get a newspaper and a club in order to enable us to express our ideas. At the same time, we are concentrating on expanding our organization. We must show results to the people or they will turn elsewhere and after us there is nothing left but the Communists. We have new meeting in the house of our members and trying to set up an organization in order to be prepared for future public responsibilities. But the people are very unhappy. The students are very unhappy and pushing for action. The situation is very bad and it is not clear whether there will be enough time for Iran to save itself.

National Freedom Movement of Iran (NFM). There is little difference between the ideas of the NFM and the NF except for a matter of pace. They want to move too quickly. They do not, however, have a large membership. They have agreed to accept our ideas and our control and our direction. There will probably be no more trouble between the two groups in the future.

Leader of the NF. The present leadership of the NF is in the hands of a committee. Of course, Mohammad Mosaddeq has the respect of the NF because he was our leader, but he is not leading now. Allahyar Saleh is the next in line and he would probably head a NF government or lead the NF in the Majlis. Saleh needs strong men around him to keep him from wavering. Gholam Hussein Sadeqi can probably be considered Saleh's assistant. Karim Sanjabi is now directing much of our activity from the executive committee. You cannot say at the present time that we have any one leader. For example, I am responsible for propaganda. For the present, rule by committee is better, one man might make too many mistakes and we do not have time for mistakes. Working together, we are able to prevent these mistakes and help each other.

Role of the United States. Unfortunately, present United States economic assistance is of no value to the people of Iran. It only helps maintain a dictator and a corrupt regime in power over the people. America should guide and assist Iran down the road to Western democracy so that the people can be free. Unfortunately, the United States is not doing this. We have been greatly encouraged by President Kennedy's speeches, but we are waiting to see his words put into action. In the future, the United States must give economic and technical aid to Iran but it must make sure that the benefits of this aid accrue to the people of Iran. If the United States wants a free country to work against the Soviets, it must help the NF.

1. Field Comment: See HIT-5782 for a report on Hadidi's views.

OPTIONAL FORM NO. 10
5010-104

UNITED STATES GOVERNMENT **SECRET**

AM Bolster

Memorandum NOFORN/INTERNAL USE ONLY

TO : Chief, Political Section

DATE: 1 August 1964
P-394/64

FROM : CAS

SUBJECT: SAVAK Discussion with NF Leader, Mohammed Ali Keshavarz-Sadr

The following is for your information and whatever use you wish to make of it within the security limitations designated. Any reporting by you of this information must cite the control NOFORN but need not cite CAS as the source. The source is a former official (B) in the Mosadeq Government with good contacts among opposition leaders.

1. Colonel Naser Moqadam, Chief of Department 3 of SAVAK, called in Mohammed Ali Keshavarz-Sadr, former spokesman for the National Front, and asked Keshavarz-Sadr what the National Front was doing. Keshavarz-Sadr said that he did not know. Colonel Moqadam brought the questioning around to the students abroad. He had two volumes, collected for the trips of the Shah abroad, containing biographic data and pictures of the students abroad. Colonel Moqadam stated that it was too bad that the National Front students abroad were joining forces with Arabs and "twelve" Communists. Colonel Moqadam asked Keshavarz-Sadr to ask the other National Front leaders to write the National Front students abroad to break off their relations with the Communists and the Arabs since this was unpatriotic. Moqadam stated that the National Front students abroad were not using the language of the National Front but were threatening the Shah. Keshavarz-Sadr told Colonel Moqadam that this was Colonel Moqadam's own fault if the students turned against the Government and the Shah since they had tried to break up the National Front and now many of the students were adrift and ready to accept any ideology that opposed the Government and the Shah. The NF had not been against the Shah but only asked that the Shah reign and not rule. Keshavarz-Sadr stated that he would not ask the National Front leaders to write letters to the National Front students abroad.

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2. Colonel Moqadam then asked Keshavarz-Sadr to ask former Prime Minister Mosadeq to write a letter to the students abroad warning them about contact with the Communists and the Arabs. Keshavarz-Sadr stated that SAVAK had recently been threatening Mosadeq for writing letters to the students abroad and now wanted Mosadeq to write a letter abroad. In view of this how could Keshavarz-Sadr ask Mosadeq to write such a letter, besides Keshavarz-Sadr stated that he had no access to him. Colonel Moqadam stated that Keshavarz-Sadr could ask Mosadeq's son, Dr. Qolam Hosein Mosadeq. Keshavarz-Sadr stated that Dr. Qolam Mosadeq would not accept political messages for transmission to his father.

3. Colonel Moqadam stated that he would then contact Central Committee member Nosratollah Amini, lawyer of the former Prime Minister, and have him ask the former Prime Minister to write a letter warning the National Front students abroad to beware of their contacts with Communists and Arabs.

Re Key Personalities

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Desp. No. 63
from Tehran

Intel Disp. 5/14/59

EQBAL, Manuchehr (Basic biographic report of Sept. 15, 1952; supplemental of March 6, 1954; and many despatches)

Rumors of the possible fall of the Prime Minister and his cabinet are reported in Tehran publications every few weeks. However, through luck and ability, Eqbal has weathered all crises so far, and probably will continue to do so for the foreseeable future. He has maintained his position for the near-record time of more than two years principally by avoiding any major crises which would cause the Shah to lose faith in him or force the Shah to get rid of him as a scapegoat. The removal of ZANGANEH was a victory for Eqbal and places in his hands much more direct responsibility for the management of Iran's development program, a duty which the Prime Minister welcomes.

There are serious doubts that Eqbal is kept informed on all the Shah's major decisions, but given the nature of the present Iranian government, no Prime Minister should expect to be told everything. However, in the day-to-day affairs of government, Eqbal works hard, keeps himself well informed and is doing an acceptable and honest job. He seems to want to be a real Prime Minister, and given the handicaps of the Shah's own power, he has worked honestly in that direction. He, however, has no true national following and his power is based only on the goodwill of the Shah.

FORUHAR, Farius (CAS reports that full biographic information on this man is available in Washington)

Foruhar is the young and intellectual leader of the Pan-Iran Party. He, like ATAI and BAQAI, is not actively back by MOSADEQ, although Mosadeq is said to respect his ability. Actually, though, his ties are much closer to Alayar SALEH, and Foruhar calls himself a follower of Saleh.

Foruhar was originally interested in the idea of Pan-Iran (the reclaiming of Iran's "lost" territories), but his ideology today centers on a neutralist freedom from all the great powers. He is strongly anti-communist.

ALAMUYAN, Abas Qoli (Basic biographic report of June 25, 1956 and Tabriz's report of Sept. 27, 1956. Various despatches and cards)

Alamuyan is one of Iran's major political figures, an able and honest administrator and a potential possibility as Prime Minister. In conversation, he speaks directly and flirtly about

FORUHAR, Darius

Darius Foruhar, leader of the Pan-Iran Party and publisher of the party weekly Arman-e-Mellat (published on a mimeograph machine in his own home), is a young and respected nationalist leader. Originally, around 1946, the Pan-Iran was an extreme, neo-Nazi association whose objective was to have Iran return to its former geographic and political glory and to expel all foreigners and foreign influence. The party was and still is violently anti-Communist and during the regime of Prime Minister Mohammad Mosadeq (see biography) specially trained Pan-Iran Party toughs sought out Tudeh (Communist) Party members on the streets and attacked them. It is reported that Foruhar was injured in one such fight. Foruhar's political philosophy has softened somewhat since the Party's formation and he is now more interested in obtaining for Iran complete neutrality and freedom from all great powers. Foruhar's specialty is as a pamphleteer whose writing attempts to seek out and expose what he considers to be law violations on the part of the government. Foruhar is said to consider himself a follower of the nationalist leader Alayar Saleh (see biography) and one source has stated that of this pair Foruhar is the leader.

Darius Foruhar was probably born about 1926 and in 1946 was a freshman at the Faculty of Law of Tehran University. At this time he and four other students from the law and medicine faculties joined in an oath to combat Communism in Iran and they thus formed the Pan-Iran Party. The Party grew so that by 1952 it at least thought it was sufficiently strong to weigh the advantages of entering the elections for the 17th Majlis. The results of this discussion caused some dissension within the party and Foruhar emerged as the leader of the faction which preferred to wait and support Mosadeq's National Front as long as there was an identity of interest and support the constitutional monarchy. For most of the Mosadeq regime the Pan-Iran Party supported the government but retained its freedom to continue to attack the communists. Thus in the summer of 1953 when the communists seemed to be getting stronger and the monarchy weakening, Foruhar withdrew his support. According to an unconfirmed report his speech against the communists was the first that was made on August 19, 1953, the day Mosadeq was overthrown.

Since the end of the Mosadeq era Foruhar has been an active representative of his Party in the councils of the National Resistance

Movement. He has been imprisoned several times and reportedly has been wooed b various political elements including the Court and the Mardom (Peoples) Party leader Amir Assadollah Alam (see biography).

There is no personal information available on Darius Foruhar.

FIELD INFORMATION REPORT

EVALUATION OF SOURCE: A: Completely reliable. B: Usually reliable. C: Fairly reliable. D: Not usually reliable. E: Not reliable. *(Applied to sources of doubtful honesty or loyalty, regardless of their competence).* F: Reliability cannot be judged *(Applied to untested or insufficiently tested sources).*

APPRAISAL OF CONTENT: 1: Confirmed by other independent and reliable sources. 2: Probably true. 3: Possibly true. 4: Doubtful. 5: Probably false. 6: Cannot be judged. Documentary: Based on original document.

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COUNTRY	Iran	REPORT NO.	WIT-5590
SUBJECT	Interview with Daryush Foruhar 1. Biographic 2. Opinions	DATE OF REPORT	3 July 1961
		NO. OF PAGES	6
		REFERENCES	0
DATE OF INFO.	June 1961		
PLACE & DATE ACQ.	Iran, Tehran (28 June 1961)		

SOURCE EVALUATIONS ARE DEFINITIVE. APPRAISAL OF CONTENT IS TENTATIVE. NOTE FOREGOING EXPLANATION.

SOURCE: Competent American observer (B).
Appraisal of Content: 2.

1. Biographic data on Daryush Foruhar, member of the central council of the National Front (NF) and Pan-Iran Party leader, follows:

   a. Age: 33.

   b. Education: Early education in Isfahan and Tehran; University of Tehran, graduate of law school in 1951.

   c. Languages: Foruhar speaks only Persian, though he reads some English and perhaps a little French.

   d. Occupation: The National Intelligence and Security Organization (SAVAK) only recently permitted him to practice law, and he admits reluctantly that he has been involved in very few cases. His principal preoccupation has always been with political affairs.

   e. Travel: No travel outside of Iran. Foruhar has tried often, during the past eight years, to obtain permission to go abroad, but this has been denied by the government, that is, SAVAK. He has also been confined to the jurisdiction of Tehran, and is still required to have permission before leaving the city.

   f. Wife Parvaneh Iskandari and Foruhar were married shortly after he was last released from jail. The new Mrs. Foruhar is a student of sociology at the University of Tehran and an active NF supporter who has spent a little time in one of Tehran's jails for her outspoken behavior during student demonstrations. She continues with her studies as well as her political activities. On the occasion of their marriage, Dr. Mohammad

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Hasanaq sent Farahar an inscribed photograph, wishing them well.

g. Farahar is quite tall for an Iranian, reaching to about five feet, ten inches. He has a dark complexion, wavy black hair. He is more handsome than most, his features being marred only by an unkempt appearing mustache that spreads across the middle of his face. Farahar often plays the dandy, but during this interview he was informally attired in a sports shirt and slacks.

Farahar is a pleasant and informal individual, not given to great amounts of polite effusions. He is sufficiently polite, nonetheless. He gives the appearance of being more an action man than a theoretician, and his replies were almost always rather brief, as if he did not have a great deal to say on any subject, and was not a man to explore possible ramifications. He does not impress one with his intelligence, but appears devoted and sincere.

Farahar lives in modest surroundings, a small house in Tehran Pars, which is owned by his mother, Mrs. Eghbash Jahani-Ansari, a widow, herself orphaned at an early age and cared for by other members of the Jahani-Ansari family, a respectable family of Isfahan.

Farahar admitted that he, as the leader of the Pan-Iran Party, holds views that might not be in harmony with the stated views of the NF, but was anxious to note that they were his own views, and those of his party. Farahar, one of the youngest of the council members, has long been noted for his devotion to the anti-Communist cause. His Pan-Iran Party followers have formed one of the most effective street gangs organized to oppose the Tudeh (Communist) Party. For his activities, Farahar has been jailed five times in the past ten years, for varying terms. He states, however, that he does not really mind being imprisoned, because he knows that this is the price that must be paid; the only way to accomplish anything is through devoted activity and personal sacrifice.

2. The following are opinions expressed by Farahar on different political issues.

Economic Aid. We are an underdeveloped country, and we need help. We do not have the advantages that many other countries have, and we are unable to catch up with other countries without help. But the first condition for effective utilization of foreign economic assistance is that we have an internal situation such that the aid would be properly utilized. This money must go into fruitful and productive enterprises, not into places where it can be easily misused and wasted, as has been the case for the past several years. We need to have two correct five-year programs in order to develop our own industries and other economic resources to such a point that we will no longer need this economic help.

Technical Assistance. We should use foreign advisers as little as possible. But there is no doubt that we have a real need for their services now, and for the immediate future. As with economic aid, we must have a program to enable us to stand on our own two feet. We cannot achieve the level where we can feel truly independent unless we have foreign technical assistance in the meantime.

Aid from Soviets. If we should be offered aid with no political conditions or strings attached to it, if we should be allowed to use that aid in our own way, and if aid should be without dangers of penetration and pressures, then I feel that we must accept aid from wherever it is offered reasonably. But I recognize that the Soviets are not very likely to offer us such aid. In particular, I do not believe that we should accept Soviet technicians to work in Iran. While it might very well be that American or other Western technicians come to Iran sincerely motivated by a desire to do a good job, and to help with the development of Iranian capabilities, I know that to expect such a thing from the USSR is foolish. I know that they would

certainly use their technicians here for political purposes, to infiltrate, to penetrate, to propagandize, to undermine. Again, I say, our primary objective is for us to be able to stand on our own feet, and we need help in order to reach that level.

Federation. I do not think that we have derived any real benefits from our membership in military alliances. NATO might be fine, but we are not in NATO. These alignments of ours have served only the purpose of keeping corrupt and unpopular governments in power; they have not served as a deterrent against the USSR or the Communists. Really, we have no choice but to keep close bind with the West, and that is the only way we can face pressures from the Soviets with or without such pacts. But if we have a good strong government, we just may be able to maintain normal relations with the USSR and keep such pacts as are in our interests, too. A country with an independent role, such as India, can contribute much more to the West, vis-a-vis the Communists, than an unpopular and undesirable regime such as that of Nationalist China.

CENTO. Essentially, there is nothing left to CENTO. Iraq is gone; both Turkey and Pakistan have undergone great changes. I see no profit in it for us. With a strong army, with good relations with our neighbors (which I believe we could ensure without membership in CENTO), we could manage just as well. If it were up to me, I would bring Iran out of CENTO immediately.

Bilateral Agreement with the United States. This does not appear to me to be a bad thing, as far as we can tell. We do not know about any secret agreements, of course, and if there are any, we would have to study them in order to judge them. The Russians are our most ancient and constant enemies, and we have learned that we must be very careful in any kind of relationship that affects them.

Size of Military. We definitely should have a large army, but it should be changed in form. It is top-heavy in rank, and many of the generals and other high-ranking officers should go. Further, in spite of its present size, it has no real capability for defense of the nation, nor is it oriented toward genuine national sentiments. The army should be better equipped, better trained, and better motivated. Its normal size should be around two hundred thousand men, but training should be such that as many as one million men could be under arms at a time.

Goodwill Mission to USSR. For any such mission, the goal should be clear: what do we want, what will they give, and what, in return, are we prepared to give to them? If such a mission should be purely ceremonial, it would do no good. Nor is it beneficial if its sole result is to place us under their colonial yoke.

Recognition of Communist China. This would be to the benefit of Iran. The existence of the millions of Chinese in Communist China is a fact, and the only way to deal with problems that exist is to face them squarely, not to pretend that they do not exist. And the only way that they can be separated from the Soviets is by having relations with them. However much the West opposes the Chinese Communists, that much more will they cling to the Soviets; as they are treated more decently, they may be less dependent on and attracted to the Soviets. Perhaps if they are treated better, it may be possible to create a major gap in the Communist world.

Oil and Concessions. I am confident that the present agreement does not secure all of Iran's interests. But any changes that should be made in the arrangement should not be accompanied, as before, with stoppage of the flow and sale of oil, with confiscation, with great tumult, and so on. This time, the agreement must be carefully and soundly negotiated. While I am dead certain that the rights and interests of Iran are not being maintained under the present arrangement, I am not sure about what changes should be effected in the arrangement. For example, I do not know what percentage of the oil income should belong to Iran. At any rate, these matters would have to be studied in the light of the situation at the time.

The Shah. The Shah's conduct, ever since he first assumed the Throne, has given us no basis for confidence that he would be willing to play a strictly limited and constitutional role, nor that the NF and the Shah can live together satisfactorily. He himself will be most likely to destroy any attempts at co-existence. He must be made to play a limited role, in order to live with the NF. I have very grave doubts that the present Shah would ever play such a role. Even if he should say that he agrees to do so, he would still agitate against us. I am certain of that. We must be cautious, however, in this matter. Anything, any action that is extreme or precipitate can only result in benefits to other, alien and imperialistic elements. However, I feel that if a good strong government should come into power, the role of the monarchy would be so unimportant that the existence of the monarchy would not matter. I would not mind if we should have a republic here. (A sly grin at this point.)

Elections. Actually, the NF really needs a couple of months in order to improve our organization and for us to make our policy clear to the people. But we cannot ease our pressure on the government for elections as soon as possible. If this pressure did not exist, there would be nothing to stop the reactionaries from gaining a better position for themselves. If genuinely free elections were held two or three months from now, I have no doubt that we would win at least one hundred seats in the Majlis. If they were held immediately, I am sure that we would win in all the big cities.

Ali Amini. The people of Iran can never forget the past of Amini, can never forget what he has done. This is what keeps him from being too well accepted by the people. In spite of this, he has done some very good things. He has turned on some of those who have for years taken improper advantage of their positions for personal gain, and to the detriment of the nation. But he does not have the capability, the strength to do everything that is necessary. He has no control of the military. He does not have the power to bring about the social reforms that are so important, and which even Amini himself may want. Unfortunately, he has no roots among the people, and this prevents him from taking truly effective steps. All this talk of land reform, and such things, is quite vague and uncertain.

Land Reform. I do not like the idea of division of the land, personally. I am opposed to it, because I am sure that if the land should be divided up, it would not be long before the same landlords, or possibly others, would have grabbed up all the land again, and the situation would not be significantly changed. I believe that the land should be nationalized - the agricultural lands, that is - after the creation of cooperatives which would provide the necessary services for the farmers. This seems to me a much more practical and effective way to bring about agricultural reform in Iran. Of course, there is much need for reform in agricultural methods, too; and I am happy that there has been a little bit of progress, in terms of mechanization, and so forth, already. Much much more is still needed, of course.

Steel Mill. A steel mill is, of course, the "mother of industry." We need one. There may be differences of opinion about where it should be, its capacity, construction, and so on, but there is no doubt in my mind that we should have about two small steel mills. The technical problems are beyond my capability, in terms of where, what capacity, and so on, but among my colleagues there is sufficient information to solve these questions. The question of Iran is not an important factor to be considered here, though just the absolute need. I feel sure that we have enough raw materials to support some small steel mills, and to meet a small demand.

Tudeh Strength and Capabilities. The danger of Communism comes from social inadequacies: lack of food or proper education or social justice. These are the conditions that exist in Iran, and as long as they exist, the danger will exist. The government, through its repressive measures, has largely destroyed their organization. But it has not succeeded in rooting out their beliefs and ideas. Since we have been allowed this relative freedom, we see

more and more signs of their existence and of their activities. They are active on their own, and under the guise of supporters of Mossadeq as well. Some of these follow Marxist ideas, and among them there is a tendency for the intellectuals to assume leadership of the proletariat. At first, a couple of years ago, they tended to attack the Soviet leaders for deserting the people of Iran in critical times. With the formation of the NF, it became apparent to them that they could not use the NF for their own purposes. But they remain a real danger, just awaiting the opportunity, and they have a cadre ready in Europe, for whenever the moment comes. So it behooves the NF, or any other government, to root out the basic causes of the Communist danger in Iran, to eliminate that element from below, so to speak, rather than just smashing it from above. Communism must also be combated, among the intellectuals, on the theoretical level, as a new form of imperialism, and so on. My colleagues in my party and I always view the Communists as the number one enemy of Iran. They have tried to create some agitations within the NF, but we are endeavoring to keep them out by being very suspicious and very careful of anyone who wants to join us. I would estimate that roughly as many as one-quarter of those who attended the 18 May NF meeting at Jalaliyeh Stadium have some kind of past affiliation with the Tudeh; they have attended Tudeh rallies or have been sympathetic. This shows the ability of the NF to draw people away from the Communist line, to win them over to a more genuine and patriotic political life.

NF Organization, Strength and Weakness. Some people tend to think that we can be a regular party, and some people tend to think of us as being a party. But we are not, realistically speaking, and cannot be. We are a front, a combination of different parties and individuals with different views and aims, in many social fields. Some people are too extreme; some are too conservative; some too advanced; some too extremely some of a religious bent; some social liberals. With this assortment of ideas, we cannot take any kind of definitive stand or have any meaningful program in the social field; we can only work together in the political field. Our strength lies in our implicit popularity. One could say that we are more popular than organized.

National Freedom Movement of Iran (NFM). I am very suspicious of the group that calls itself the Freedom Movement. I think that they are very much out of date, in some ways, and I also fear that they are tied to some special, foreign interests, as well. They have this overtone of religion, which has characterized much of the British intriguing in Iran, the sort of thing that formed the base for British imperialism in the past. You know of Miss Lambton? We of the NF feel that it is important at this time that we should show the United States that we are very reasonable persons, not wild xenophobes and hot radicals. But they insist on following the most insulting and the most damaging route. I was very sorry that Mossadeq should have sent them that letter [endorsing the NFM]; he is very much out of touch and does not know what is really going on, and wanted to show his friendship for Mahdi Bazargan. Essentially they are mostly reactionaries, in their strange way. But fortunately their influence will die out after a while. They will learn, as the people will realize, that one cannot maintain a following, nor govern a country, on nothing but slogans. As soon as the NF shows its decisiveness, they will lose all their influence. As for their getting into the NF, I do not think they will. I for one will vote against them.

NF-Iran Party Difficulties. Differences of opinion, over tactics, methods and so on, exist within any front. But I do not think that the differences that exist within the NF are sufficient to cause any serious trouble, not to cause any separation. We know that our existence depends on our unity. The origin of this problem regarding the Iran Party lies in the early days of Mossadeq, when the Iran Party made great efforts to get all the positions in its own hands. Many people are still suspicious that they are still following the same policy. The Iran Party has a very good and strong cadre, disproportionate to the amount of popular support that it enjoys. As I said, though, I do not believe that there is any danger of a real split arising out of this question.

His is the leader of the PI? Bazdargan, two people share the leadership of the PF in practice, but Bazargan enjoys a special place in the hearts of all the people and of the PF. However, he cannot play any kind of role at the present. Allahyar Saleh and Dr. Ghulam Hussein Sadeqi are the pre-eminent leaders of the PF. Saleh has a much longer record, greater experience, and is better known to the people. He is a member of a particular party, though - the Iran Party, and, as I have said, the Iran Party was not too much popular support. Saleh has the best chance of being selected, say to be prime minister. Sadeqi, less experienced and less known to the public, is a much more decisive figure, and needs more opportunity to demonstrate his abilities for the people. If we were to vote on the leader of the PF, both Sadeqi and I would vote for Saleh, because his stature is greater, but I personally prefer Sadeqi.

United States Role. I always take advantage of a talk with an American to stress the following: for one hundred and fifty years, we have been caught between the Soviets and the British. This has been our great tragedy, and the cause of all our misfortunes. Since the beginnings of the constitutional regime in Iran, we have wanted to have here what we have heard exists in the United States. There is a great affection, among the people, for the things for with the United States is famous, and by which it is known. Up through the early days of Mossadeq, when the Americans were still supporting Iran's independence in the oil question, the people were greatly fond of the Americans. But gradually, and especially since August 1953, the people have seen that American policy in Iran has been hand in hand with British policy, and the people are unhappy with this. The governments since August 1953 could not have stayed in power without the support of the United States Government. When President Kennedy took office, the people in Iran felt that there would be changes in American policy here, and the people were elated by the prospects. In practice, though, we have seen no evidence of any such change, nor any improvement. I wish to remind you that the only thing that can effectively stop Communism in Iran is a truly national regime.

OPTIONAL FORM NO. 10
5010-104
UNITED STATES GOVERNMENT

SECRET

Memorandum NOFORN/INTERNAL CONTROL

TO : Chief, Political Section

DATE: 21 October 1965
P-300/65

FROM : CAS

SUBJECT: Sentence of Darius Foruhar

The following is for your information and whatever use you wish to make of it within the security limitations designated. Any reporting by you of this information must cite the control NOFORN but need not cite CAS as the source.

On or about 16 October 1965 Dariush Foruhar, leader of the Mellat-e Iran (Iran Nation) Party, was sentenced to three years imprisonment by the presiding judge of ordinary Military Court No. 2. Foruhar was arrested thirteen months ago.

Brig. Gen Salem
troublemaker, in jail before
appeals court approved sentence
1 year will not be deducted, other period of arrest
before prot. not

Bahram Namazi tried by another court

Bio File of Darius FORUHAR

OUTGOING AIRGRAM

ACTION: A-317 SECRET

POL-3

TO : DEPARTMENT OF STATE

INFO:
AMB
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FROM : Amembassy TEHRAN DATE: November 2, 1965

SUBJECT: Military Trial of Foruhar, Iranian Nation Party Leader

REF : A-567 of May 3, 1965

POUCH:
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On or about October 16, 1965 Darius FORUHAR, leader of the Iranian Nation Party (A-567 of May 3, 1965), was sentenced to three years in prison by the presiding judge of Military Court Two. It is not known exactly what charges were made against Foruhar, but the prosecutor reportedly cited previous periods of imprisonment as proof that Foruhar was a troublemaker in addition to being opposed to the regime. The sentence was appealed, but upheld by the Court of Appeals.

Foruhar had been arrested in late September 1964 and held for over a year without trial. It is possible that this year in prison will be subtracted from the new sentence, as there are precedents for this procedure (c.f. Berelian case, page 6 of the reference). Foruhar's defense attorney, Brigadier General (ret) SAIMI, who also assisted in the defense of the 14 people charged with complicity in the April 10 assassination attempt on the Shah's life, brought up Foruhar's previous periods of imprisonment without trial and suggested that they be subtracted from his sentence. However, this line of reasoning was rejected by the court.

No mention of the Foruhar trial appeared in the press and it was not widely discussed. It is perhaps more than coincidence that this trial occurred at the same time as the much-publicized

Group 4

Downgraded at 3-year intervals.
Declassified after 12 years.

SECRET

POL:AHolster:alw 11/2/65 MFHerz

CAS

trial of the 14 alleged conspirators mentioned above. The trial of Darius Foruhar provides further evidence of the hard line being currently taken against the political opposition here.

For the Ambassador:

Martin F. Herz
Counselor of Embassy
for Political Affairs

SECRET

IRAN

Daryush FORUHAR

Leader of Nation of Iran Party

(PRE-1966)

Daryush Foruhar is one of the National Front's younger, more radical figures who in recent years have increasingly criticized the front's more moderate leadership for its alleged over-cautious attitude. He is a militant nationalist in the Nazi mold and noted for his virulent anti-Communism. Although he originally called for Iran's return to its ancient geographical and political greatness, he has more recently emphasized neutrality and freedom from foreign influence. While not an intellectual, Foruhar is a devoted advocate of his cause and a talented organizer and propagandist. His Nation of Iran Party is the National Front's most militant, well-organized component. It is under close surveillance by the government, and Foruhar, who has spent a large part of his career in jail, is currently serving a three-year term for anti-government activities.

Pro-West, Foruhar, nevertheless, wants Iran to follow an independent policy in the manner of India. He considers CENTO useless, and is critical of military alliances, which he believes tend to shore up corrupt and unpopular governments more than they deter Communism. He admires the US, but criticizes its support of Britain and the current Iranian regime. Although he does not advocate revolution for Iran, which he says would benefit only "alien and imperialistic" elements, he doubts that the present Shah would accept a limited constitutional role.

Foruhar favors bi-lateral agreements with the US, particularly those involving economic aid. He would also accept aid from the USSR provided no strings were attached (a remote possibility in his opinion). An advocate of planned development, he would accept limited technical assistance and encourage the construction of steel mills. He is pessimistic concerning land reform, and proposes the nationalization of agricultural land and the formation of farming cooperatives. He would like to revise the oil agreements, but through negotiation rather than nationalization. Foruhar would also reorganize the army and recognize Communist China.

Born in 1928, Foruhar received his early education in Isfahan and Tehran. He graduated from the Tehran University Law Faculty in 1951. He was a founding member of the Pan-Iran Party, a right-wing nationalist group formed in 1946. In 1952 the party split three ways over the issue of support for the monarchy. Foruhar and his followers broke away and formed the Nation of Iran Party, which affiliated with then Premier Mohamad Mosadeq's National Front (NF). (The parent organization, led by Mohsen Pezeshkpur, went into a period of eclipse, and for several years Foruhar's group was referred to as the Pan-Iran Party. With the recent recrudescence of the old Pan-Iran Party, which

GROUP 1
Excluded from automatic downgrading and declassification

Daryush FORUHAR (cont.)

has unofficial government support, the differences between the two groups have become more apparent.) Although Foruhar supported Mosadeq, he opposed the growing power of the Tudeh (Communist) Party, and Nation of Iran street gangs frequently clashed with Tudeh members. One report states that following Mosadeq's overthrow in 1953, Foruhar was the first political leader to make a public speech, taking anti-Communism as his theme.

Foruhar remained within the NF, however. An outspoken critic of the government, he retained his small but intensely loyal following, and distributed pro-NF literature which he mimeographed at home. By 1962 his impatience with the NF leadership led him to join the NF's radical wing. Appointed to a commission to study proposals for reorganization of the NF executive machinery, he tried unsuccessfully to oust the moderate leadership. After the major tactical defeats suffered in 1963 by the NF in the land reform referendum and Majlis elections, the radicals threatened to desert the front. Aided by a letter from Mosadeq which criticized the NF's inactivity, they forced new party elections in April 1964. Some radicals were elected to the NF Executive Council, but lack of sufficient leadership ability and government interference prevented them from bringing about any significant changes in the front's political situation. An attempt to broaden the NF's base by forming a united front with other nationalist groups foundered on the subsequent distrust of Foruhar's group for the Tudeh's enthusiastic support of the effort. Foruhar himself was jailed in September 1964.

Daryush Foruhar is a tall, rather handsome man who is usually impeccably dressed. He has a pleasant, informal manner, and is polite without the usual Iranian effusiveness. He speaks unemotionally and to the point, with little elaboration. Although he is a trained lawyer, he has rarely practiced even when permitted by the government to do so. He has never been outside Iran because of government opposition; in 1958 he was invited to the Afro-Asian Peoples Solidarity Conference in Cairo, but was unable to attend. About 1960 he married Parvaneh Eskandari, then a sociology student at Tehran University who had already spent some time in jail for her part in NF student demonstrations. Foruhar speaks only Farsi, although he reads a little English and some French.

ABA:cjb

18 January 1966

OPTIONAL FORM NO. 10
5010-104
UNITED STATES GOVERNMENT

CONFIDENTIAL
NO FOREIGN DISSEM

Memorandum

TO : Chief, Political Section

DATE: 24 August 1966
P-149/66

FROM : CAS 71

SUBJECT: Impending Release of Darius Foruhar

The following is for your information and whatever use you wish to make of it within the security limitations designated. Any reporting by you of this information must cite the control NOFORN but need not cite CAS as the source.

1. The family of Darius Foruhar expects that he will be released from prison on the Shah's birthday 26 October 1966. Foruhar's mother has been ceaselessly active in her efforts to secure support from Government and Majlis figures for the release of her son and she is now confident that he will be freed.

2. Conditions attached to Foruhar's release are that he refrain from all political activity and that he not attempt to leave the country. Foruhar's mother believes that he will readily agree to these conditions; his health is still not good and he is despondent after his incarceration.

CONFIDENTIAL

NO FOREIGN DISSEM

GROUP 1
Excluded from automatic downgrading and declassification

MEMORANDUM OF CONVERSATION

PARTICIPANTS: Fereidun TAQIZADEH, Medical Doctor, (Member of Nation of Iran Party)
Larry W. Semakis - Second Secretary of Embassy

TIME & PLACE: May 9, 1968, Residence of Hedayatolla MATIN-DAFTARI

SUBJECT: P.M. Hoveyda's Meeting with Nation of Iran Party Leader, Foruhar

DISTRIBUTION: POL/SF, POL/RF, CHRON, CRU, RIO (2), OR

Taqizadeh said that three months ago, Prime Minister Hoveyda summoned Dariush Foruhar (leader of the Nation of Iran Party) to his office for a talk. According to Taqizadeh, Hoveyda offered Foruhar (a lawyer by profession) a job as Legal Advisor in any Ministry if Foruhar would renounce his opposition to the government. Hoveyda reportedly praised Foruhar for his leadership abilities and stressed the futility of continued political opposition to the Shah's government. Foruhar declined the offer categorically.

Taqizadeh said that Foruhar's Nation of Iran Party has a small but dedicated following. Because of the tight political controls now obtaining, he and his fellow party men are passively waiting for the right time to re-emerge as a political force. The Party stands for constitutional government in Iran and an end to the complete authority exercised by the Shah. The Party would nationalize all important economic endeavors in the country and would exact more money for Iran from the Oil Consortium. In foreign affairs the Party would seek a rapprochement with the "progressive" Arab states, and would launch a "truly independent national foreign policy." Taqizadeh claims that rural discontent in the aftermath of land reform is growing and that this discontent is directed at the Shah's government. He claimed that the government has not met the needs of the peasants previously furnished by the landlords, and that this failure has become a major source of discontent. He also feels that the Shah's government will be unable to meet the rising expectations of other elements in the population—particularly the demands of a growing middle class. Taqizadeh predicts political instability in Iran's future.

BIOGRAPHIC NOTE:

Fereidun Taqizadeh is the nephew of Seyed Hasan Taqizadeh, (an octogenarian referred to by Iranians as the "Father of the Iranian Constitution" because of his activity in the 1905 Constitutional Revolution). Fereidun is a medical doctor in his late 20's. Several years ago he was arrested because of his political activities at Tehran University and drafted into the Army where he was assigned menial tasks. He now is working at Pahlavi Hospital but hopes to go to the U.S. to study further in medicine. He claims to have acceptances

from several American medical institutions. He is having trouble getting a passport because of his political activities in Iran, but feels that the government will eventually let him travel abroad. Taqizadeh is short, wears a moustach and weighs about 140 lbs. He speaks fair English but prefers to converse in Farsi. He is unmarried. He is deeply interested in politics and appears dedicated to the Nation of Iran Party and its leader whom he visits regularly.

POL:LWSemakis:gj 5/18/68

Daryush FORUHAR (Phonetic: forooHAR) — IRAN

Leader, National Front
(since August 1978)

OFFICE OF
CENTRAL REFERENCE

Long active in the opposition movement, Daryush Foruhar has spent 15 of the last 20 years in prison; most recently, he was jailed from 11 November to 6 December 1978. He is the former leader of the now defunct Nation of Iran Party, one of the groups that made up the old National Front (NF) during the 1950s and 1960s. Foruhar has a law degree, but rather than practice his profession, he has used his education and propaganda talents to expose what he considers to be illegal government actions. An able political organizer, he could claim considerable credit for making the Nation of Iran Party the most militant and best organized of the parties in the NF during the late 1960s. He is an activist, who has urged street action to demonstrate popular dissatisfaction with the government. His popular appeal, particularly among university students, during the 1960s was recognized by both the government and his colleagues in the opposition movement. Firmly committed to reform and the restoration of "constitutional rule," he has refused all blandishments from the government to induce him to renounce his stands. (C)

Foruhar has been active in the opposition's current campaign to discredit the government on the basis of its human rights record. He was one of the three signers of a letter published in the French newspaper *Le Monde* in June 1977 that condemned the Shah's rule and called for the strict application of constitutional principles. In November 1977 he organized the Union of National Front Forces, which advocated the restoration of "constitutional rule" and of personal freedoms and the nationalization of industry. During 1978 he and several other opposition leaders have worked

(cont.)

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together to coordinate action against the government and to develop a positive political program. In August 1978 he brought his movement into a resurrected National Front (its full name is the Iran National Front), an umbrella organization that includes parties ranging from conservative to leftist, though not Communist. The new NF has called for the dissolution of SAVAK (National Intelligence and Security Organization), the immediate release of all political prisoners, the abolition of military tribunals, and an independent foreign policy based on Iranian national interests. The NF is led by Karim Sanjabi, but Foruhar had gradually emerged as its principal spokesman before his November arrest. (C)

Over the years Foruhar has appeared to be an ardent--even xenophobic--nationalist. In the 1940s and early 1950s he advocated the return of Iran to its ancient geographic and political greatness. Later he developed a stand that emphasized neutrality and freedom from foreign influence. He actively supported Prime Minister (1951-53) Mohammad Mosadeq. He is an avowed enemy of the USSR and Communism, however, and frequently came into conflict with Tudeh (Communist) Party supporters of Mosadeq; Nation of Iran Party members were often involved in street brawls with members of the Tudeh Party. Foruhar believes in a socialist approach to development; he favors the nationalization of land and industry and supports agricultural cooperatives. He admires the United States but has been critical of its support of the Shah. (C)

Early Life and Career

Daryush Foruhar was born circa 1928. After attending schools in Isfahan and Tehran, he studied at Tehran University, where he received a law degree in 1951. In 1946 he helped found the Pan Iran Party, a rightwing nationalist group that emphasized Iran's past glories. In 1952 the party split over the question of whether it should support the monarchy, and Foruhar and his followers formed the Nation of Iran Party. The Pan Iran Party, led by Mohsen Pezeshkpur, went into a period of decline, and for several years Foruhar's group was referred to as the Pan Iran Party. (C)

The Nation of Iran Party eventually became affiliated with Mosadeq's NF, and Foruhar served on the latter group's Central Council. Foruhar

distributed pro-NF literature, which he had mimeographed at home. He also sought to reorganize the NF into a more activist party. He was frequently jailed for his political activities. (C)

Personal Data

Foruhar is a tall, handsome man who is usually well dressed. He has a pleasant, informal manner and is polite without showing the usual Iranian effusiveness. He speaks unemotionally and to the point. Foruhar reads some English and French. In about 1960 he married Parvaneh Eskandari, who was then a student of sociology at Tehran University and a fellow NF activist. (She, too, has spent some time in jail for her NF activities.) (C)

7 December 1978

CONFIDENTIAL

The Ambassador
Through Mr. Rockwell

January 5, 1963

W. G. Miller

Conversations with Dr. Hossein Mahdavy, leader of the Intellectual Group of The National Front, concerning the recent National Front Congress held between December 25-December 31, 1962.

Biographic Note: Dr. Hossein Mahdavy is a member of the Mahdavi* family so subtly described in two recent novels, Anne Sinclair Mahdavi's Persian Adventure and Mohamed Mehdavi's Something Human. Dr. Mahdavy's father, like his relative Haji Malek, Khorassan's biggest landlord, was a merchant and landowner; Dr. Mahdavy's generation have become professional men and intellectuals. The education abroad which the elder Mahdavis insisted that their children have (even though they themselves did not have this experience) has inevitably contributed to Dr. Mahdavy's militant desire to lead Iran to become a modern democratic nation.

As a student at Oxford, and as a ranking member of Plan Organization's Economic Bureau, Hossein Mahdavy was respected by his contemporaries and his superiors alike for his intellectual abilities. In 1960, Dr. Mahdavy studied at Princeton University. Following his year in the States Mahdavy decided that it was futile to continue in Plan Organization "when the regime neither understands nor wishes planning", and left the Plan shortly after his return from the United States. He then joined the National Front and encouraged many others with similar backgrounds to join, because "it is only through an active political party that Iran can bring about the changes necessary before Iran can meaningfully progress."

Although Dr. Mahdavy is only 30, he has considerable influence among the younger intellectuals. With his nephew Feridun Mahdavy (who is actually two years older) and Mojtabatollah Matin-Daftary, the grandson of Dr. Mossadeq, he exercises considerable influence over the university students. His views as given in this memorandum are of interest because they present in an articulate way the viewpoint of the young intellectual group within the National Front.

Dr. Mahdavy's Remarks Concerning the National Front Congress.

There were three main problems that faced the Congress. The Party Program, the Organization of the Party and the question of the leftwing Freedom Movement.

I. Although there was a feeling that the National Front Charter would be a source of great controversy, it was approved almost unanimously. Only Darius Foruhar objected. The charter is a summary statement of reports submitted to

* The Tehran branch of the family spells their name with an "a", Mahdavy, while the Yazd branch spells the name with an "e", Mehdavi.

the Research and Planning Committee over a period of a year and a half. The Committee was divided into three sections: Political, Economic and Social. We plan to publish in the near future a book containing the full reports from which the summary was made. The Preamble which is written in a different tone was written by the Executive Committee.

The Political sections of the charter were a concern for the party as a whole, although the Iran Party had the major influence in determining the final form. The Economic portions of the charter were left to the younger trained economists. The portions on Foreign Policy were written after a formula made by Dr. Mossadeq called "The Defensive Formula". For example, the bi-lateral agreement between Iran and the United States is defensive rather than aggressive in nature and is acceptable to the National Front. CENTO is defensive in nature, but it has outlived its usefulness, so that the National Front has serious reservations about this pact. With revisions that account for present circumstances, such a multi-lateral treaty would be in Iran's interest. Further, if a defensive pact aids our domestic policy as some economic aspects of CENTO do, it would be in our interest to suggest such a pact.

The feeling of the National Front about the charter was expressed by SADEQI, "Since the overthrow of the Qajars there have been over 60 governments, only 14 of which have had a program. The combination of the 14 programs does not equal this one". Because the charter was so widely accepted, the congress was unified on the question of policy and it turned to the difficult question of organization.

II. Organization

The younger intellectual-university groups numbering 60 out of the 170 delegates taking part proposed that the National Front use an "open committee type" of organization and discard the "cell type" system of organization used up to the present time. The proposal was defeated for two reasons: First, the Front members at large had already become accustomed to using the "cell system"; Second, it was the majority consensus that since the government could be expected to continue its "repressive measures" it would be wiser for the time being to use the more concealed, but more secure method.

The Iran Party is in firm control. Dr. Saleh, Sanjabi and Sadeqi still are the key men even though Sanjabi on occasion joined the Khanji group.

The university students are now under the discipline of our group. One of the most dramatic moments of the whole Congress was when Hejasi and Shahpur Bakhtiar were accused of a breach of discipline by the university group in front of the Congress. Hejasi, in particular, was singled out as the one responsible for failing to consult with Saleh about the first of Bahman (Jan. 21, 1962) riots. Hejasi who is the "brain truster" of the Iran Party did not even get on the committee as a result of this condemnation by the students. There is absolutely no truth to the statement made in government papers that the students have broken away from the National Front.

I walked out with them. The issue was of parliamentary procedure. We walked out because of a breach of procedure. The students contention was later up held. The students and intellectuals have only one active member and two weak members on the committee. Feridun Mahdavy was elected only at the insistence of Sadeqi. We will be lucky to get anyone else on the committee, because the 15 remaining members are appointed by the 35 already elected. It is only through elections that we will be able to prove ourselves. But even though my group did not do as well as we had hoped, the whole atmosphere of the Congress was like a Parliament. Parliamentary procedures worked very well. If the intellectual and student groups are to get more positions of party leadership before the Congress in two years time, it will be by winning Majlis seats. We are somewhat disappointed, but at the same time we are overjoyed that Parliamentary proceedures can work in Iran. "It was a small taste of freedom for us. We will be satisfied only when we have a freely elected Majlis."

While the Congress was a victory for the old guard conservative group represented by Dr. Saleh, the Congress had to consider the position of the left wing Freedom Movement.

III The Freedom Movement:

Following the 28th of Mordad the group led by Dr. Mehdi Bazargan went underground and continued resistence to the Shah and the regime. The Freedom Movement has Tudeh members, hooligans and some mentally unbalanced people as well. There was a strong feeling that this group because it was so violent and unstable should be excluded. But Bazargan has agreed to purge his party and to accept the discipline of the committee. The Freedom Movement has two members on the committee, but they are probationary as is the party as a whole. The undesireable elements who have been named must first be purged before they are given full party status.

IV Summary:

According to Mahdavy the Congress was successful. Dr. Mossadeq's plea for unity given by a tape recording at the beginning of the Congress was heeded. Mahdavy felt that the successful use of parliamentary procedures, the acceptance of the platform, the willingness to submit to overall party discipline in matters of organization and membership have helped to make the National Front a far more cohesive and effective political party. It seems also to have further whetted their appetite for a larger share of power.

AMB:WGMiller:cah

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : The ~~Ambassador~~

DATE: February 9, 1963

FROM : William G. Miller

SUBJECT: Memorandum of Conversation with Dr. Hosein Mahdavy, a National Front Leader

Participants: Dr. Hosein Mahdavy - National Front
William Green Miller - American Embassy

Place: Dr. Mahdavy's home

Time: February 6, 1963

Comment:

The remarks made by Dr. Hosein Mahdavy reported here are of interest because they help explain the curious decision made by the National Front to oppose the Referendum of January 26. For men like Mahdavy, at least, the decision was made primarily for intellectual reaons, which seemed to ignore immediate tactical political considerations.

Summary of Conversation:

Dr. Mahdavy first asked me what my impressions were of the events that had taken place at the end of January. I said that it seemd obvious that most Iranians, in fact, the overwhelming majority were in favor of the Shah's program; the Referendum clearly pointed this out. I said that western observers such as the press believed that significant reforms were at last underway. I said that the National Front appeared to many people to be a spent force, tilting at windmills of the past. I asked why the National Front decided to oppose the Referendum.

Dr. Mahdavy said that the whole issue of the Referendum was a very difficult problem for the National Front. As the National Front viewed the problem, to go along with the Shah was capitulation. It would be an admission that dictatorship was the best form of government to carry out needed reforms in Iran. However, the National Front favored the reforms pushed by the Shah. It was then decided that the Referendum would be opposed using the formula "Reforms Yes, Shah's Dictatorship No". At this point Mahdavy spoke primarily in terms of technical logic treating the whole issue as though it were a philosophical problem rather than a situation involving the actions of political groups. He said that "the horns of the dilemma were either to oppose the referendum or to support it. Either choice would have been a disaster for us. We solved this problem by separating the Shah from reforms. The clarity of this solution was essential to us." It was decided that meetings would be held and the bazaar closed and the party line was to

stress that their opposition to the Referendum was not opposition to the reforms but rather opposition to the authoritarian manner in which the reforms were being carried out.

I said that it was widely believed, as far as I could tell, that the National Front was simply opposing the Shah in order to remain in the popular eye. I said that the peasants who had been given land by the Shah could hardly think the Shah a tyrant. I said the sporadic fights at the University were thought of as futile gestures reflecting the National Front's lack of direction.

Mahdavy answered that the National Front believed that the decision to oppose the Referendum because it was dictated by the Shah was the right choice in the long run. Mahdavy said that the Government through control of the security forces, the press and radio had always had an advantage. The people will be disillusioned and see through all the propaganda as they were shortly after the Shah's last enthusiasm: the two party system. Popular opinion is behind the Shah now, I know, but this will change. He has weakened his position by fixing the Referendum he already had easily won. Who believes that the vote was so overwhelming as the 99% claimed? The people will soon see that the Shah is not capable of carrying out the reforms he has begun. After all, the driving force in these reforms has been Arsanjani. The Shah cannot bear for long a popular leader, as the past has so clearly shown. The conflict between Arsanjani and the Shah will come. When Arsanjani goes, what then? What happens if the Shah is assassinated? Assassination is a highly developed art in Iran. There are many who are now willing to do it. It is the always present danger that the Shah or the leading ministers might be suddenly removed that worries me. Dictatorship is an efficient way to carry out a program as Hitler and Stalin proved but we do not want this kind of progress. The Shah is not a Hitler or a Stalin or even like his father. He is a weak dictator, who vacillates from one enthusiasm to another. Land distribution is the latest enthusiasm. You should hear what the mullahs are saying in the Mosques about the Shah's visions.

Mahdavy said that the peasants may be behind the Shah "at present", but what will happen when the reform administrative machinery breaks down as it certainly will. The dispossessed landlords, the bazaari, the intellectuals and the mullahs are now opposed to the Shah. If the peasants expectations are not met, they will join in opposition.

When the next budget comes up, what then? Who will pay for the reforms? Will the Shah cut back on military spending by 20%? Will he cut back on industry and communications to pay for the land distribution program? Who will make up the gap? Will the United States pay the price, even if the Shah does not cut back on his military budget?

I answered that I thought the United States Government would assist in some way the reforms that have been begun, but in what way or to what extent, it was too early to say. I asked what the National Front would do if the reforms in fact, succeeded.

Mahdavy reiterated that he did not believe this government was capable of carrying out the reforms to completion, if the regime somehow did accomplish

these reforms, then the issue of dictatorship versus representative government will be clearly defined for all. He said, "I know the United States Government is backing the Shah because for the first time meaningful reforms seem to be taking place. I thought the United States wanted reforms like land distribution to go hand in hand with the growth of democratic government. I realize that it is easier for you to back a dictator if he carrys out the reforms you want in return for helping to keep him in power. But if these reforms are accomplished, will you still back the Shah, and not help those who want representative government?"

I said that 75% of the people, the peasants, were behind the Shah and as long as this was so the claim of the National Front that they represent "the people" sounded rather hollow.

Mahdavy answered that the peasantry was a group that the National Front could not reach in the past, because they were cut off from political life by the nature of the Iranian social structure, but now the Shah has made it possible for us to get to them. The workers in the cities like Isfahan, Abadan and Tehran were solidly behind us in the last elections and we will get their support again. If the Shah fails to fulfill the peasant's expectations in the next two years, they will turn to us. If the Shah's program succeeds, the peasants political desires will grow along with their prosperity. In any case, unless he is assassinated first, the Shah has secured his throne for two years at the most. We can wait.

I asked how the National Front was dealing with the continuing arrests of its leadership by the regime.

Mahdavy said that the more people the regime arrested, the easier it would be for them to say that the Shah was a despotic leader. The Shah will not have the courage to keep the National Front leaders in prison. There are too many preassures against him. He needs the financial support of the United States and cannot afford to be as ruthless as Reza Shah would have been in a similar situati[illegible]

AMB:WGMiller:cah

As no CO info available on Mahdavy, Hossein asked Bill Miller to prepare memo for briefing Embassy old contact.
3 Apr 63
CNR

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MEMORANDUM OF CONVERSATION

Participants: Dr. Hossein Mahdavy - National Front Leader
William Green Miller - American Embassy

Place: Dr. Mahdavy's Home

Date: March 25, 1963

Subject: National Front views concerning coup d'etat, assassination, possible successors to the Shah, and some thoughts about the present economic situation in Iran.

Comment:

Dr. Mahdavy is one of the principal leaders of the National Front, now that most of the central committee are imprisoned. Mahdavy claims his views are shared not only by his group of young intellectuals but that they are also held by some of the older moderate group led by Allahyar Saleh.

The Present Economic Situation:

Dr. Mahdavy said that when he was in the Plan Organization Economic Bureau, he helped in the preparation of the Third Plan. He said that the projections for the Third Plan were based on the economic performance of Iran in 1338 (1959). He noted that private investment has been 40% below the projected level for this year, and from all he could learn, investment is probably going to continue at this low level. He reflected that historically it takes far longer to come out of a depression than to fall into one. The Shah's solution to last year's economic crisis was to reduce development funds in order to maintain the military establishment. Mahdavy remarked that the Clay Report seemed to have several references that apply to Iran. Mahdavy reflected that if military aid from the US is reduced or cut off that the Shah, following past performances, would cut the development budget even more in order to maintain the military establishment. Mahdavy suggested that the Shah might make overtures to the Soviets as he has in the past in order to extract more aid from the United States.

Assassination of the Shah:

Mahdavy spoke at length about the differences between the National Front and Arab Nationalist groups. Whereas Arab Nationalist parties favored violence to achieve power, the National Front believes peaceful means should be used as long as possible to achieve its ends.

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Mahdavy feels that Mossadeq's influence is still dominant in the Party. In Mossadeq's view the use of mobs and violence can only lead to disaster as his own experience so tragically proved. Mahdavy said that his close colleagues in the National Front firmly believe in the necessity of building democratic institutions and use of democratic methods where possible. He saw useful parallels in Nehru's government's gradual assumption of power.

Contrary to those around the Shah, we believe democratic institutions are possible in Iran. "Why do the Americans seem to support dictatorship in Iran? Is there not a contradiction in your beliefs to support a petty tyrant and to stand aloof while a group that believes democratic institutions are right for Iran is ruthlessly suppressed?

Mahdavy said that violent action should only be used as a last resort. He reflected that despite the deep rancour that exists, assassination has not been attempted by the National Front. He said that assassination has often been discussed. Finding an assassin would not be difficult. The real problems would begin once the Shah was removed. In the event of an assassination, the military would take over - General Bakhtiar or someone of his kind. The progression of events would probably lead to a Nationalist government. Economic conditions would be shaken to depths lower than now exist. Even if we had a government composed of the ablest men, Amini, Entehaj, Farmanfarmaian, Saleh, Hoseini and the deputy positions filled by the ablest technocrats, the military would not permit us the time that would be needed to set Iran on the right road. We would certainly have a situation like Syria: the military constantly over-turning civilian rule because of impotence. An assassination is not in our interest. If the Shah died of a heart attack next week we would be faced with a similar impossible situation. What we want to accomplish is to force the Shah to accept us and to build up democratic institutions that will free Iran from being dependant on the whims and the mere existence of one man.

The National Front and Coup d'Etat:

Mahdavy then turned to the question of coup d'etat. Mahdavy said the only groups with force enough to carry out a coup d'etat are the military, but even though there are a large number of military leaders with National Front sympathies, the National Front distrusted them because they were military men dedicated to the use of force as the principal means of action. The only kind of a coup d'etat that Mahdavy thought might work to the National Front's advantage was a bloodless one where the Shah was forced out of power by being compelled to leave the country or to reign and not rule. But, Mahdavy asked, "who in the military can we trust to sit back and let the Majlis with all its seeming inefficiency and its seemingly endless talk, run the country. It is our belief that the military mentality would not permit this. Even one with

his military mentality, and the present Shah educated in a military manner, would not permit parliamentary rule. General Bakhtiar - no. What we have to do is to exert pressure on the Shah so that he will be forced to let a parliamentary government rule Iran.

The American government has exerted some pressure. I have no doubt that you are largely responsible for Land Reform, and of course such economic progress as we have made is largely due to your aid. But at the same time you have built up a military force and a secret police that has suppressed the growth of democratic institutions. You have helped wipe out malaria, but you have helped crush the beginnings of democratic government. You have not yet used the power you possess to foster democratic institutions.

cc: The Ambassador
Mr. Schwartz
Col. Yatsevitch
[redacted]
Mr. Tyler
CIA

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5/1/63

Mahdavy file

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MEMORANDUM OF CONVERSATION

Participants: Dr. Hossein Mahdavy - National Front Leader

William Green Miller - American Embassy

Place: Dr. Mahdavy's Home

Time: Evening - June 5, 1963

Subject: Tehran Riots of June 5, 1963

COMMENT: Five important points were made by Dr. Mahdavy during this conversation

1. The Government knew about the demonstrations at least the evening before the June 5th riots.

2. The riots themselves were planned with strategic objectives in mind.

3. The strength of Iranian religious feeling was greatly underestimated by the regime.

4. Khomeinah is now an important national figure that the regime must handle with extreme care.

5. The National Front was not directly involved in the riots.

Dr. Mahdavy's Views on the Riots

Dr. Mahdavy said he had come throughout the city from 10 until late in the afternoon, and was most impressed by the organization of the rioters. He cited the places that were attacked by the rioters. In the Ministry of Justice the files were burned; the Ministry of Interior was wrecked; Taffazoli's office of Press and Broadcasting was destroyed; the Zurkhaneh (House of Strength) of Shaaban, the well known Government hatchetman was destroyed; Ettelaat Newspaper was partially burned; PTT was attacked; Police Stations were attacked; Petrol stations fired; telephone lines ripped up; phone booths destroyed; buses and bus stations were destroyed. Mahdavy said this had obviously been well planned and the targets were both strategic and places hated by many of the people. He noted further, that there was relatively little looting, although deliberate destruction of government property. He reflected that the fighting was directed from four main points in toward the palace: the Bazaar, Shemiah Circle; the University and the railroad station. He said the heaviest fighting was at Hassanabad and of course in the Bazaar. He said the defense perimeter around the Marble Palace was strongly defended although repeated attempts were made to break through the perimeter.

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The Cause of the Riots:

The main cause of the riots according to Dr. Mahdavy was the arrest of Ayatollah Khomeineh. Mahdavy explained that fifteen days ago Khomeinah was chosen the leader of the Shia sect of Islam. He compared the effect on the Iranian people of the arrest of Khomeinah with the effect the arrest of the Pope would have on the people of Rome. But Mahdavy said deep religious feeling was only a focus for many and complex grievances. He said he noticed the delight people took in learning of the destruction of Jaffari's House of Strength (Jaffari is widely regarded as an unscrupulous knife stabber). He said some xenophobic tendencies were evident. The library in the city park was burned, he thought, because it was known it was the gift of some Americans. But he added that xenophobia played a relatively small part in the riots. Those who hated censorship obviously were responsible for the attempted burning of Ettelaat newspaper offices and of the Department of News and Broadcasting. Hatred against police was directed at police stations; irritation at poor bus service was directed at buses and bus stops. Although grievances and hatreds took different forms, Mahdavy stressed the arrest of Khomeinah united them all. Not since Mossadeq claimed Mahdavy was one man brought so many diverse elements together.

Ayatollah Khomeinah

Mahdavy said six months ago Khomeinah was relatively unknown. Yet it was his outspoken opposition to the Shah's anti-mullah actions that has brought him into the limelight. He is regarded by Iranian intellectuals, even those who have little or no use for Islam, as learned, extremely intelligent and courageous. Since he was recently elected MARJA spiritual leader of all Shias and is only 45 and vigorous, Khomeinah's role in Iranian politics is now most important. He noted parenthetically that the National Front was never able to bring out the people in this way except when led by Mossadeq. Mahdavy felt that the regime could not hold Khomeinah under detention without continued violent opposition.

National Front was not Involved in Riots

Dr. Mahdavy said that the National Front was not involved in today's activities in the late afternoon of June 4. Mahdavy was called by SAVAK and asked if the National Front was planning to participate in demonstrations against the government on June 5. Mahdavy said, "No". Some left wing National Front students were involved in the incidents that took place at the University at about noon including the display of the banner saying "Death to the Bloody Tyrant" and the burning of a government jeep. As soon as the National Front leaders including Mahdavy were informed they called SAVAK and told them to stop the demonstration at the University, which was subsequently done.

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Mahdavy said Fahraven had cleared the National Front of responsibility and had told the nation over the radio this afternoon at 5 p.m. that the National Front was not involved.

Future Problems

Because the casualties were so high (Mahdavy thought at least 45 people were killed and at least twice that number injured, the majority of whom were police and gendarmes) the traditional mourning days, namely: the first day when the dead are buried, the third day after death, and the fortieth would be observed all over Iran. These mourning days might be the occasion for the mullahs to unite the people in opposition even more. If the Government prevents mourning the result will probably be further violence.

Mahdavy thought the Government had underestimated the force of religion. He explained that although deep religious fervor is limited to relatively few, considerable religious feeling exists in almost all Iranians. Mahdavy thought that the present crisis indicates that most ordinary Iranians involved in the riots care more for their religion than they do for the present Shah.

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6/6/63

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MEMORANDUM OF CONVERSATION

Participants: Dr. Hossein Mahdavy, National Front Leader
William G. Miller, Second Secretary of Embassy

Place: Mr. Miller's Residence

Date: December 11, 1963

Subject: SANATI Resumes Negotiations with the National Front

Dr. Hossein Mahdavy said that Homayoun Sanati head of Franklin Press and go-between for the Shah, came to Dr. Mahdavy's house to talk with Mahdavy and Darious Homayoun, a prominent journalist, having just come from an audience with the Shah. Sanati told Mahdavy that the Shah was in a depressed mood and that he complained of the economic depression and the poor administration of his government. Sanati said that he and the Shah agreed that it was essential to bring in some of the more able younger talent into the government. Sanati, Mahdavy said, then followed this up by asking Mahdavy and Homayoun to consider joining the government in high and responsible positions. Mahdavy said that Sanati expressed the view that the Shah was thoroughly dissatisfied with his chief advisors. Sanati said that the Shah will never give up the smallest piece of his power under any circumstances. Mahdavy replied to Sanati at this point and pointed out that if the Shah was unwilling to give up any of his power and responsibility then how was it possible for other to help in the administration of Iran's affairs. Responsible positions require the use and possession of power, he said. Sanati answered saying that perhaps the only way to carry forward Iran's development is to work within the system. Mahdavy said he replied, "What you are asking us to do is to become like Moinian, Ansari and Nafici." Sanati then left and said that he wanted to continue these discussions the following week.

Both Mahdavy and Homayoun were impressed, according to Mahdavy, at the skill, apparent sincerity and subtlety of Sanati's arguments. Mahdavy believed that Sanati's visit to Allahyar Saleh and Sanati's visit to them indicates the beginning of fresh attempts on the part of the regime to divide the more moderate National Front members from the more militant opposition of the National Front.

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Mr.Herz-rdg file
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MEMORANDUM OF CONVERSATION

Participants: Dr. Hossein Mahdavy, National Front Leader
William G. Miller, Second Secretary of Embassy

Place: Home of Dr. Mahdavy

Date: January 28, 1964

Subject: Attempts to Form a New Party Out of the Remains of the National Front

1. Origins

Dr. Mahdavy discussed the plans that he, Abdorrahman BORUMAND, Darius FORUHAR, Shahpour BAKHTIAR and Hedayatollah MATIN-DAFTARY, have been meeting to form a new party from the moribund National Front. Mahdavy said that this group has been meeting regularly over the past few weeks discussing the necessity for the younger elements of the National Front to organize a new party framework, develop a program and to lay down firmer lines of policy over the next few years. So far, it has been decided, Mahdavy said, that such a party must be spearheaded by the well-educated and liberal members of the National Front. The older leadership, the extremists of both right and left were not to be included among the new party leadership.

2. Leadership and Organization

Dr. Mahdavy said that so far there are about 20 members in the top cadre. The party organization was to be open and no clandestine activities would be permitted.

3. Obstacles

There were two major obstacles, Mahdavy thought, to the development of the party: first, the older leadership of the National Front had to give their sanction to the new party. Mahdavy said he had seen Dr. Qolam Hossein SADEQI today (January 28) to get his opinion. Mahdavy said Sadeqi was noncommittal. On Thursday, January 30, the original five as well as six other younger National Front members were to meet to discuss the proposed party in more detail. Following this meeting Mahdavy said he plans to go to Allahyar SALEH to ask his support for the new party. Mahdavy thought that Saleh is ready to turn over the leadership of the party to younger hands, but he was not so certain of other members of the central council. Second, Mahdavy thought the attitude of the government and particularly SAVAK was crucial. SAVAK has the means to prevent the party from becoming more than an idea, he said.

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4. Rationale

Mahdavy said the basic idea of the new party was to give political form and expression to popular nationalistic feelings. It was their aim, he maintained, to be the successors to the National Front. "The old issues, the old methods, the old leaders have gone by. It is time to re-think, re-organize and work to revive popular democratic political parties." Mahdavy felt that it is essential for Iran to develop sound democratic institutions to parallel the social and economic growth taking place within the country. He thought the major step to be taken and their aim was in development of a genuinely popular political party.

5. Attitude Toward the U. S.

Mahdavy said that the party would be pro-Western and would actively seek American support and advice saying that under the present circumstances no opposition political force can exist in Iran without American support.

COMMENT

The projected new party briefly discussed in this memorandum has been brewing since the failure of the older leadership of the National Front to meet the challenge of the September Majlis elections. While it is too early to say whether the idea of the new party will be translated into action, the quality of the personalities involved, the ideas and aspirations they have so far expressed may lead to a popular party of substance that could fill the dangerous political vacuum that presently exists.

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1/29/64

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MEMORANDUM OF CONVERSATION

Participants: Dr. Hossein MAHDAVY, National Front Leader
William G. Miller, Second Secretary of Embassy

Place: Dr. Mahdavy's Home

Date: February 26, 1964

Subject: Shahpour BAKHTIAR's Alleged Offer of National Front Support to the MANSUR Group; Coalition Maneuvers Between Conservative Elements and the National Front; and Tactical Considerations

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1. Bakhtiar's Alleged Offer of National Front Support to Mansur Group

Dr. Mahdavy said that Shahpour Bakhtiar did in fact meet with Mohsen Khajehnouri last week but that the meeting was nothing unusual because Bakhtiar and Khajehnouri had been close friends for over 10 years. They served together in the Ministry of Labor under Mossadeq and see each other regularly. Mahdavy said he did not doubt that Bakhtiar and Khajehnouri discussed coalition plans but the idea that "an offer" was made was preposterous. It would not be of advantage to the National Front at this time to align itself with so powerless a group as the Iran Novin Party, whose only reason for being is a whim of the Shah. Mahdavy said that other members of the National Front had talked with members of the Iran Novin Party about coalition. He mentioned the names Kasharvas-Sadr, and Zirak Zadeh but stressed that coalition with the Iran Novin would not lead to anything at this time.

2. Coalition Talk

Ali Amini has been to see Allahyar Saleh several times recently and has made a serious effort to get Saleh to agree to join Amini in a coalition. Mahdavy said that Saleh's view is that such a coalition would be advantageous at this time but that negotiations had not yet reached a stage for action. Mahdavy said that Jalal Abdoh had been mentioned as a member of this coalition. Ebtehaj's name also was brought up by Amini and Saleh as a member of a coalition cabinet. Derakhshesh had asked to talk to Mahdavy, he said. Mahdavy said he had agreed to see Derakhshesh and would do so in the near future.

3. Tactical Considerations

Mahdavy viewed these new coalition talks as posing a dilemma. The dilemma was this: if the Mansur government came to power because of its complete dependence on the Shah and the fact that it would continue the pattern of the inept rule of the last year or so, the government would undoubtedly fall on the crises raised by the failure of land reform and the failure to push the development program. A more popular government would probably come to power at that time, however, the problems

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it would have to face would make success extremely uncertain without considerable assistance from outside sources. On the other hand, Mahdavy reasoned, a responsible coalition government formed now could move to correct the obvious inadequacies in the land reform program and to restore balance and direction to the development program. The sooner some measure of representative government takes place in Iran, he added, the sooner Iran can become a representative government.

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DEPARTMENT OF STATE
Foreign Service of the United States of America

BIOGRAPHIC DATA FORM

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NAME	NATIONALITY
Hossein MAHDAVY	Iranian

PRESENT POSITION

National Front Leader

DATA AND REMARKS

Dr. Hossein Mahdavy was born in 1931, the last of 9 sons born to Haj Hossein AMIN ZARB (Keeper of the Mint). Amin Zarb was a prominent merchant in Tehran from a prominent family who had come to Tehran from Isfahan and Meshed in the late 19th Century. A leader in the Constitutional Movement in 1906, Amin Zarb was a member of the first Majlis. The builder of Tehran's first electric generating plant, several factories and a small railroad, Amin Zarb died just before Hossein Mahdavy was born but in his will had bestowed several villages in the Khamseh on his last child, the income from which has made it possible for him to live relatively well and to acquire an unusually fine education.

Mahdavy was educated in Tehran primary schools and went to an English public school at Brighton. In 1956 he went up to Christ Church, Oxford, studying primarily with the well-known historian Hugh Trevor-Roper. He received an honours degree in Politics, Philosophy and Economics in 1956. He then went to Paris and took a Ph.D. degree in law from the Sorbonne in 1958. He returned to Iran and was hired by Abol Hassan Ebtehaj in the Plan Organization. Described by Ebtehaj as "Iran's most able young man", Mahdavy rose to the rank of Deputy Director of the Economic Bureau. He was largely responsible for bringing to Ebtehaj's attention the disadvantages in the steel mill project of 1959 which project, if carried out, would have given Iran an enormously costly white elephant.

His particular concern, while in the Plan Organization, was to establish the principle of regional planning. Under Mahdavy's direction the Ital Consult survey of Sistan-Baluchistan, the Kerman Survey done by MAAG, and a survey of Kurdistan were completed. Working closely in the years 1957-61 with Khodadad Farmanfarmaian, Cyrus Ganji, and Reza Mogadam, Mahdavy was a prominent part of the most dynamic governmental organization yet seen in Iran.

Shortly before Ebtehaj was removed by the Shah in February 1959, Mahdavy joined the National Front and began to recruit a large number of his colleagues to this nationalist organization that had just been granted a quasi-legal status by the regime after six years of rigorous repression. He brought in Cyrus Ganji, who was at that time working as a legal assistant, and had the sympathy of men like Cyrus Ganji and Khodadad Farmanfarmaian.

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With Ebtehaj gone from the Plan Organization, and with the subsequent weakening of its role in Government, Mahdavy began to believe that it was only through political action rather than working from within in a technical or administrative position that any meaningful reforms could take place in Iran. About this time in 1960, the Plan Organization sent Mahdavy to Princeton University for a year of study. At Princeton, Mahdavy worked closely with Professor T. Cuyler Young and contributed much of the material on three papers, two of which were presented to the Council on Foreign Relations in 1960, entitled, The Social Revolution In Iran, Recent Economic Development of Iran and its Problems, and Iran's Political Dilemma and Disequilibrium. In these papers and in the Political Charter and the National Front Economic Committee Review of the Third Plan (all available in the Department and in the Embassy), which were largely drafted by Dr. Mahdavy, the scope of his economic and political thought is set forth.

On his way back to Iran from the United States in 1961 Mahdavy travelled through the Orient and spent several months in India where he studied Indian planning efforts. Soon after Mahdavy's return, he resigned from the Plan Organization and devoted his full energies to National Front activity. With Feridun Mahdavy, and Cyrus Ganji of the Industrial Mining and Development Bank, Darius Homayoun of Ktelaat, and Hedayatollah Matin-Daftary who had just returned from a grant studying the Congress of the United States in action, Mahdavy organized a series of indoctrination classes for younger members of the National Front. These classes, which attracted several hundred, firmly established the influence of the National Front in the universities and in the lower echelons of the government ministries.

Following the National Front Congress of December 1962, Mahdavy's political activities increased, particularly since the main leaders of the National Front including Allahyar Saleh, Asqar Parsa, Dr. Qolam Hossein Sadeqi and Karim Sanjabi (all of whom were respected elder members of the dominant "Iran Party") had been imprisoned. Following the religious riots of June 1963, Mahdavy was arrested by SAVAK and imprisoned for a few days. Because of extreme pressure from a number of sources including his extensive and influential family, Mahdavy was released. He immediately resumed political activity, attempting to fill the vacuum left by the imprisoned leadership of the National Front.

After the Majlis elections of September 1963, and the failure of the National Front to organize either to run in the elections or to overthrow them, Mahdavy with Hedayatollah Matin-Daftary, Abdor-Rahman Boroumand, Darius Foruhar, and Shahpur Bakhtiar, began to work for a change in National Front leadership. Mahdavy's view was that the older leadership had shown itself to be unable to meet the new situations created in Iran by the aggressive tactics of the regime. Mahdavy's policy bore fruit in the Spring of 1964 when Dr. Mohamad Mosadeq came into the picture of Iranian politics once again. Through a series of letters,

which independently paralleled Mahdavy's views, Mosadeq criticised Saleh's leadership and as a result of this pressure, Saleh and the older leaders resigned. But, before Saleh resigned, Mahdavy was elected to the National Front Central Council upon Saleh's instructions. In November of 1963, Saleh asked Mahdavy to become Secretary General of the NationalFront. Mahdavy declined saying that a far more comprehensive over-haul of the Front was needed; a few appointments would not do the job.

Dr. Mahdavy teaches at Tehran University in the Institute for Social and Economic Research. At present he is leading a group studying the effects of land reform upon a sample selection of Iranian villages, a project financed by the Ford Foundation. In May 1964, Dr. Mahdavy received a Ford Foundation grant for study at Harvard University. Mahdavy plans to accept this grant in order to study Economics and especially Development Economics for two years beginning in the Fall of 1964, during which time he will also attempt to organize National Front student activities in the United States.

As a student at Oxford, Dr.Mahdavy met a young girl from a prominent Alexandrian Copt family and while in his last year at the Sorbonne married her. His wife, Nevine, is a tall, willowy, soft-spoken girl whose features are reminiscent of the bust of Nefretete in the Berlin Museum. The Mahdavys have two daughters, Tora aged 5, India aged 2, and a son, Hashi, aged 4. Mahdavy lives with his family and mother in a modest house on Avenue Bahar. He sold all of his villages following the passage of the land reform law, although he still has a house in Aliabad, one of his distributed villages in the Khamseh. (See A-247, October 22, 1963 for a description of Aliabad.)

Widely read, Mahdavy's primary intellectual energies are directed toward politics and economic development. He is also keenly interested in poetry and contemporary Persian, French, American and English literature which he knows well. Mahdavy meets regularly with Cyrus Qani, Darius Homayoun, Ali Farmanfarmaian and Khodadad Farmanfarmaian in a dowre where contemporary problems and books are usually analyzed and discussed. While Khodadad Farmanfarmaian is usually exuberant, Ali Farmanfarmaian coldly cynical, and Darius Homayoun most logical, Mahdavy's analyses are structured on the premises that popular representative government is possible in Iran, that logical economic development is possible, that dictatorship and its trappings and unwelcome foreign influences have corroded the Persian character, that Iran has a historical and cultural tradition to be proud of, and that a judicious blending of the West's accomplishments with the heritage of Persia will create a nation of world significance.

As a nationalist, as the son of a constitutional revolutionary, as an intellectual trained in the world's finest institutions, Mahdavy's consistency has brought him the respected admiration of an increasing number of Iranians. Mahdavy is stubborn and on occasion frank to the extreme of rudeness, and is prone to periods of moodiness. On the whole, however, he is delightful company and the intensity of his beliefs are of a sort rarely found.

In appearance Mahdavy is about five feet nine inches, of medium build, a not unhandsome face, bespectacled and topped by a great shock of thick black hair. Dr. Mahdavy contracted Malta fever while in India and as a result was ill from time to time for over two years. Mahdavy plays fair tennis and squash and likes to walk and ride. Mahdavy entertains a great deal and his home is often filled with visitors and friends from France, England, the United States and India. In addition to his native Persian, Mahdavy speaks and reads English and French fluently and reads German.

POL:WHMiller:eak
5/26/64

CONFIDENTIAL

MEMORANDUM OF CONVERSATION

Participants: Dr. Hossein Mahdavy, National Front Leader
William Green Miller, Second Secretary of Embassy

Date: June 3, 1964

Place: Dr. Mahdavy's Home

Subject: Visit of University of Tehran Survey Team to Land Reform Areas in Gilan and Mazanderan

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Dr. Mahdavy said that of the big landlords in Gilan only the lands of the Amini family had been distributed. The other major land holders had not yet had their lands distributed.

There was considerable unrest among the peasantry in Gilan and the landlords were using legal tactics to imprison peasant leaders and were exploiting the usual tactics of bribing registration officials and minor Ministry of Justice functionaries to prevent the law from being carried out. Dr. Mahdavy said that Gilan in the past had been a center of Communist activity and that he noticed signs that Communist sympathies were again being aroused. He cited two examples of landlord action which has seriously disturbed the peasants. The first took place in Gilan where a landlord with a bulldozer leveled the houses of a village. After the houses were demolished, the landlord then claimed that there were no villages on his land, citing the fact that there were no houses, and then declared his land mechanized. This was certified by registration officials.

In Mazandaran, not far from Shahsavar on lands owned by Prince Abdol Reza, the following technique was used. The peasants were removed from their houses, paid a nominal sum, and settled in a nearby village. Since there were no peasants living on the land, the land was declared mechanized. The nearby village is now overpopulated Dr. Mahdavy declared but the peasants have no recourse. Dr. Mahdavy said that on the basis of the comparison of the villages surveyed 10 years ago and these same villages surveyed now it could be concluded that there had been a marked increase in agricultural production. In one village in Mazandaran, the per capita income was slightly over $300 a year and from this village of 3,000, four boys were in universities in Germany and ten were at the University of Tehran. But, Dr. Mahdavy pointed out that the prosperity of this village was due to the efforts of the villagers and very little to do with assistance from the Government. Dr. Mahdavy said that in general Gilan and Mazandaran were in a dangerous state of expectation and that if the Government does not vigorously follow through with land reform there could be serious unrest.

POL:WGMiller:cak
6/4/64

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Form FS 405 (revised) NOV., 1951

DEPARTMENT OF STATE
Foreign Service of the United States of America

BIOGRAPHIC DATA FORM

CLASSIFICATION: CONFIDENTIAL

INSTRUCTIONS: For full instructions on submission of biographic data and use of this form see 4 FSM 500.

POST: Bern

DATE: June 15, 1964

REPORTING OFFICER: Martin F. Herz

COPIES TO:

NAME: Hossein MAHDAVY

NATIONALITY: Iranian

PRESENT POSITION: National Front Leader

DATA AND REMARKS

The following information is supplementary to the biographic report submitted by the Embassy on May 26,1964.

Two conversations with this reporting officer have served to bring out somewhat more clearly that Mahdavy, while he is regarded as an exponent of the "moderate" elements of the National Front, is moderate only with respectto tactics. He rejects the idea of violence and clandestine activity, but he appears to be completely uncompromising with respect to any possible understanding between the National Front and the present regime.

For instance, when he was asked how the National Front could expect to come into office on the basis of a coalition with office-holders of the present regime,in view of its statement at the 1962 party congress that it would hold accountable anyone who is guilty of an "illegal act" of the present (allegedly unconstitutional) government, Mahdavy replied along the following lines: How could the National Front, which has seen itself deprived of basic freedoms, which has suffered illegal imprisonment and even "torture" of some of its leaders, which has seen the anti-corruption campaign reduced to a mockery, which has seen illegality rampant in all key areas of the administration -- how could the National Front, as a self-respecting body of men, do otherwise than have a rigorous house-cleaning when it comes into office? To do otherwise, he said, would immediately result in a loss of popular confidence in the National Front as an exponent of probity in the government. This attitude gives little hope of a compromise between the regime and National Front "moderates" like Mahdavy.

In another discussion the possibility was ventilated that the Shah might wish some day to compromise with the National Front and might include some of its members in a "Government of National Unity". It was pointed out to Mahdavy that in such a rather remotely hypothetical situation the Shah would certainly wish to retain for himself control of the military and of foreign affairs. Mahdavy's reaction to this was instant: It would be quite unacceptable for the Shah to retain control over military and foreign affairs because this is unconstitutional; his advice might well be accepted because he is experienced in those fields, but the Ministers in charge of these affairs would have to have absolute authority. Once one makes exceptions to the principles of constitutional monarchy, Mahdavy said, the party would be on the same slippery slope on which governments have been in the past, for the Shah would not stop his interferences.

When it was pointed out to Mahdavy that it was very unlikely that the Shah would efface himself to such an extent, his reply was: "Therefore he must go!"

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DEPARTMENT OF STATE
Washington, D.C. 20520

January 2, 1967

OFFICIAL-INFORMAL

John A. Armitage, Esquire
Counselor of Embassy
for Political Affairs
American Embassy
Tehran

Dear Jack :

When in the Boston area, I went to see Hossein Mahdavi in Cambridge on December 21. The following account may be of interest if only for his biographic file in the Embassy.

Hossein is winding up his studies at Harvard in economics and expects to take his generals in a few weeks' time. He then has only his thesis to complete in order to finish the requirements for his PhD. He does not feel able to afford staying in the U.S. and is considering going to England, Germany or Beirut to work on his thesis. He at one time considered going to Cairo (you will recall his wife is Egyptian), but now believes that would be misunderstood in Iran. He is for the same reason somewhat nervous about adopting Beirut as a residence, but its proximity to Iran and relatively lower cost of living are attractive.

Following completion of his thesis, Hossein says he intends to return to Iran. He anticipates no difficulty returning, saying he intends to fly in and land at Mehrabad. In response to questions as to what he will do in Iran, he said: "What I did before." He would not work for the government, frowns on working for a "semi-governmental" organization such as the IMDBI, was evasive about possibly taking a university position and indicated he might just become a farmer on his family's lands near Zanjan.

Hossein's views of the present situation in Iran are as always of some interest. He regards the present period of economic boom as temporary, saying that no boom can last forever. When the economic situation takes a turn for the worse, he believes the political situation will be serious for the regime because such a much greater part of the population is now "in the political sphere."

By this he means that the masses of the urban workers and rural peasants have been encouraged to expect more from the government, have thereby become interested in politics and will react against the regime if the fulfillment of their expectations appears endangered. Hossein is a little vague as to what form this reaction might take, and I suspect more than a little wishful thinking supports his theory. But he alluded to the possibility of guerilla activity, and I would not exclude the possibility that he might encourage such activity if he were on the scene.

Hossein thinks the Shah may yet do something to reform the political system, but he believes that the Shah's reluctance to undertake any meaningful reform is due to the Shah's continuing sense of insecurity. He says he is convinced that the Shah is aware that he is completely dependent on the repressive instruments under his control and that were the repression to be eased in any way, the regime would be in danger. The current indications of the Shah's great self-confidence are due to the economic boom, the fact that the security apparatus is effective and his success in improving his image abroad.

As for the details of the economic situation, Hossein thinks that industrialization is not proceeding fast enough to sop up surplus urban and rural labor. The boom is generally therefore merely making the rich richer. He stresses that the whole set-up depends on the oil industry, adding that that industry is highly vulnerable to an act of sabotage.

If Hossein should return to Tehran, you would find him a stimulating contact.

Happy New Year.

Sincerely,

Ted

Theodore L. Eliot, Jr.

Hosein MAHDAVI (Phonetic: mahdaVEE) IRAN

National Front Member

Addressed as:
Mr. Mahdavi

OFFICE OF
CENTRAL REFERENCE

CENTRAL INTELLIGENCE AGENCY
UNITED STATES OF AMERICA

Hosein Mahdavi was a professor of economics and social science at Tehran University as of the mid-1960s. A member of the National Front (NF) since 1958, he was elected to its Central Council in April 1964. (The NF is an umbrella organization of several political groups whose members are mostly white-collar, middle-class professionals. NF members are generally united in calling for the Shah's adherence to the Constitution of 1906, but they differ widely otherwise.) His election was the result of a move by old-guard leaders to placate younger, more radical NF members, like Mahdavi, who were disgruntled with the old guard's conservative, cautious policies in response to the government's aggressive actions against NF activities. Although Mahdavi was considered to be one of the NF activists, he was thought to represent the moderate element because he then rejected the use of violence and clandestine activity as tactics to overthrow the government. He did, however, reject any compromise between the NF and the government, believing that popular representative government and logical economic development were possible in Iran without dictatorship or foreign influences, which he believed corroded the Iranian character. Mahdavi favored a judicious blending of the accomplishments of the West with the historical and cultural heritage of Iran. US officials described Mahdavi in the 1960s as a brilliant and imaginative man with leadership capabilities who was basically pro-West but who could be erratic and vindictive. (C)

The son of a prominent Tehran merchant and constitutionalist who had been a member of the first Majles (legislature), Mahdavi received a degree with honors in political science, philosophy and economics from Oxford University in 1956 and a Ph. D. in law from the Sorbonne in 1958. He

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 (cont.)

returned to Iran to work for the Plan Organization, and by 1960 he had risen there to the position of deputy director of the Economic Bureau. Mahdavi was then sent to Princeton University for a year of study under Plan Organization auspices. After his return in 1961, he left the Plan Organization to concentrate on NF activities. He joined the teaching staff at Tehran University at that time and worked to establish NF influence in Iranian universities and the lower echelons of the government. He was imprisoned briefly after the religious riots of June 1963. Mahdavi went to Harvard University in 1964 for two years of study on a Ford Foundation grant. While there he may have organized NF student activities. (C)

Mahdavi, about 47, speaks excellent English and French and reads some German. (C)

8 December 1978

LIMITED OFFICIAL USE

MEMORANDUM OF CONVERSATION

PARTICIPANTS: Dr. Farrokhrou [redacted], Chief, Economics Department, Industrial and Mining Development Bank of Iran (IMDBI)
Theodore L. Eliot Jr., First Secretary of Embassy

DATE : December 9, 1963

SUBJECT : Current Iranian Political and Economic Situation

Background:

Dr. Mahdavi was just been appointed Chief of the Economics Department of the IMDBI. He has previously worked in that department and in the Investment Department of the Bank. He is a member of the National Council of the National Front and, as such, was in jail for the first seven months of 1963. He is about 30 years old, received most of his training in economics in German (PhD Munich), France and England (London School of Economics for six months) and speaks good English and excellent German. He has not visited the United States. The purpose of the reporting officer's call was to establish contact with Dr. Mahdavi in his new job.

Substance of Conversation:

Mahdavi finds the Iranian scene dominated by the Shah's reform program which he admits has stolen the National Front's thunder. But he questions the sincerity of the Shah as a reformer on a number of counts. In the first place, he is not prepared to believe that a man "who epitomized the forces of reaction" for seven years has suddenly become a liberal. Moreover, if the Shah believes in reform, why is he using the same old guard like Mansur, Iqbal and Sharif-Emami to carry it out?

Mahdavi believes the Shah was motivated in launching his "reform" program primarily by foreign political considerations. This is to say, that the Shah was concerned that his image abroad was beginning to resemble Trujillo's and Diem's. He was concerned at the reaction especially of the incoming Kennedy Administration to this image. He therefore set about changing the image. It follows, says Mahdavi, that if the Shah feels there is less pressure from the United States for reform in Iran, the Shah will be less reform-minded. Mahdavi believes that the Shah probably thinks that there will now be a period of less pressure because the Johnson Administration will be concerned for the next few months primarily with domestic U.S. matters. The Shah will therefore move very slowly on such things as the second stage of land distribution. Should the pressure from the United States be turned on again, the Shah will turn on his "White Revolution" again, something he can always do with much fanfare including ousting [redacted] he will say were blocking his reforms and calling "reformers" (Arsanjani) [redacted] into office.

"The controlled following December 9, 1963"

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The current economic scene, in Mahdavi's view, is dominated by the uncertainties arising from the reform program and from the lack of legal protection for private investors. He sees few bright spots in the economy. The situation in the bazaar has worsened again in the past few weeks. It is true that the Plan Organization is spending more, but it is not clear where the money is going. There is little enthusiasm or elan among the planners. Private investors are scared to take the necessary risks. There is also little enthusiasm any more in the Land Reform Organization. The peasants are being held in check by the Land Reform Organization people in the field, but how long can their promises of better things in the future postpone growing peasant discontent with the present?

Mahdavi intends to stay in the IMDBI as long as he doesn't have to "compromise his principles." He was reinstated by former Associate Managing Director Mahdi SAMII (now Governor of the Central Bank) and has the support of the new Managing Director Abol Qasem KHERAJU. He reports some increase in loan applications received by the IMDBI and is hopeful that the Bank will soon be able to make some useful loans in Fars for sugar factories and also in Khuzestan for a $20 million paper mill using bagasse. The Plan Organization has agreed to loan the IMDBI 750 million rials and to establish with the IMDBI a revolving "Equity Fund" of one billion rials, 750 million of which will be for new industry and $50 million for existing industry. The IMDBI would use the fund to purchase equities and would then attempt to resell them to private investors.

Mahdavi believes that the first job in Iran's industrialization [redacted] the establishment of such things as food processing and construction [redacted] industries and assembly plants for consumer durables. The time has now come to establish plants which will enable assembly plants to use domestically manufactured parts. He thinks that the steel and petro-chemical industries are the places to start. On the steel industry, he hopes that a start can be made with a sound survey. He thinks that the government must take the lead where private industry will not venture in.

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MEMORANDUM OF CONVERSATION

November 27, 1964

PARTICIPANTS: Fereidun Mahdavy, Official in the Industrial Mining and Development Bank of Iran

Archie M. Bolster, Second Secretary

PLACE : Mahdavy's home in Shimran

Vienna Convention, Khomeini's Exile, and American Prestige

Mahdavy declared that American prestige with the rank and file of Iranians had never been lower in the last 20 to 30 years than it was now. Rhetorically he asked how the Embassy could think that the opposition to the status bill shown in the Majlis could indicate concern that the public was displeased with the bill, when the Majlis voted immediately for the rise in petroleum product prices which Mansur requested, a bill which would displease the public far more. He concluded that the Mansur Government had deliberately mishandled the status bill in a way that would cause all of the onus to fall on the United States. Having done that, said Mahdavy, the Government then pushed through the $200 million military credit bill so that it would look like it was the pay-off for passage of the status bill. The final blow was then the exile of Khomeini so soon after his anti-American and anti-status bill statements as to make it seem that the United States had pressured Mansur to get rid of Khomeini. Mahdavy pointed to the issuance of leaflets which quoted Khomeini's anti-American tirades at length as being the first indication for years of directly anti-American propaganda, and he attached great importance to those leaflets and their effect. Mahdavy asked if the very idea of requesting a status bill had not been a serious foreign policy blunder on our part, saying that he was convinced the United States could have obtained the desired result without putting the United States in the position of being criticized for a bill presented to the Majlis and then mishandled by Mansur's Government.

The $200 Million Military Loan and American Policy in Iran

Mahdavy attacked the recent military credit bill as an entirely unnecessary piece of legislation which, despite the Mansur Government's smokescreen of Iranian concern over Nasser, proved that American policy

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A. Bolster - 2

eclassified 70 or November 27, 1966.

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in Iran was based on military support for an unpopular dictatorship. Considerations of the military credit within the context of US-USSR rivalry was equally transparent, for everyone knew that Iran would never fight if attacked by the USSR. Mahdavy then continued with the usual line that American support of the Shah has been so unequivocal that it has brought about a situation where there is no alternative to the Shah.

Mansur Government Mismanagement

Mahdavy was particularly virulent in his criticism of the Mansur Government in general, and its economic policies in particular. He termed it a government of "pretentious opportunists" who lie to the Iranian people continuously in order to justify their poorly conceived and inently carried out policies. He specifically castigated the Mansur Government for its handling of the mullahs, sugar purchases and sales, wheat purchases, and the latest petroleum price rises. Mahdavy stated that although Alam was not a very intelligent man he was at least honest in his efforts to carry out the Shah's wishes, and that at the time Alam left the Prime Ministry he had succeeded in largely placating the religious opposition. Religious attacks on land reform and women's rights had practically ceased and the mullahs were left with little influence, but under Mansur the religious opposition to the status bill had given the mullahs a chance to pose as a nationalistic opposition group for the first time. The Government's handling of the sugar affair had been inept, said Mahdavy, because the Government bought at high prices and then encouraged imports of sugar at decreasing prices, thus losing tremendous sums as the inventory value declined. He pointed out that had wheat purchases been made five or six months ago at a time when their need could have been easily foreseen, wheat stocks could have been adequate at the present time and there would have been no mass hoarding of wheat. Purchase of wheat just when it was widely known that wheat was in extremely short supply simply made consumers and dealers panic and insured that even with large purchases, hoarding would cause continuing shortages. Mahdavy criticized the new price rises for petroleum products as hitting the lower classes particularly hard, which was unfortunate, and as proving the difficult financial situation in which the government finds itself. He concluded that this latest sign of panic was particularly embarrassing when Iran's oil revenues had increased this year by $100 million.

Land Reform

In analyzing the present status of land reform, Mahdavy concluded that Arsanjani's revolutionary and, if necessary, confiscatory type of land reform had now been replaced by a legal type of land reform in which land must be surveyed, compensation equitably determined, and so forth. He commented that the government did not have sufficient trained personnel to carry out a legal type of land reform, citing the

The Ambassador

TLE

Interesting

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MEMORANDUM OF CONVERSATION

DATE: September 21, 1965

SUBJECT: Political and Economic Situation in Iran

PLACE: Caspian Hotel Restaurant

PARTICIPANTS: Dr. Fereydun MAHDAVI, Industrial and Mining Development Bank; National Front Leader
Theodore L. Eliot Jr., First Secretary of Embassy

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1. Political Situation

Dr. Mahdavi was more pessimistic about the political situation than I have observed him in the past, in the sense that he feels that the situation of the opposition to the regime is bleaker than it has ever been. The security forces are in control and have let it be known that the slightest sign of opposition will be crushed. The Shah has let it be known that any opposition to the government is opposition to him personally and will not be tolerated. As a result nobody in the opposition dares raise his voice; even AMINI and his group are quiet.

The National Front has, Dr. Mahdavi observed, been put out of commission by the recent arrests of many of its secondary leaders and of Khalil MALEKI. He believes the arrests resulted from SAVAK's desire to thwart recent attempts to reorganize and reconstitute the National Front. The recent London Economist article on the opposition precipitated the arrests. MATIN-DAFTARY was singled out because of his contact with MOSADEQ. Dr. Mahdavi does not think that the arrests were connected with General NASSIRI's effort to consolidate his control of SAVAK.

The outlook for the opposition is bleak for the foreseeable future, Mahdavi believes, because the two main props of the regime, the financial situation and the army, appear to be solid props. He no longer thinks (hopes) that an economic crisis will soon precipitate a political crisis. He has a vague notion that if the Shah moves too close to the Soviets, some military leaders may become disenchanted with him, but he is not very hopeful that that would happen.

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Dr. Mahdavi nevertheless continues to believe that the regime will sooner or later get into trouble. He bases this belief on the contention that except for the army and for some industrialists who find the current political climate to their liking, the regime has no support anywhere in the Iranian population. The middle class generally opposes the regime; the former landlords are disenchanted; the peasantry is apathetic; the working class has many grievances. As this situation cannot go on forever, Dr. Mahdavi still engages in political activity hoping for future opportunities.

One aspect of the situation is especially interesting to Dr. Mahdavi. He finds increasing apathy among the middle class with respect to working for economic development, for social reform or for any other form of progress in Iran. Whereas one will always find Iranians willing to work to make money, and there are plenty of such Iranians around at the present time, few Iranians at the present time, in his words, have any "spiritual incentive". The lack of this incentive will, he thinks, one day lead to a deterioration of the economic and social situation and will have adverse political effects as far as the present regime is concerned.

2. Economic Situation

As usual, Dr. Mahdavi noted the lack of dynamism in the economic situation and the continuing deterioration of the Plan Organization's effectiveness. He has heard that the Shah has called for a Fourth-Plan growth rate of 10 per cent annually, a figure he believes is ridiculous considering the government's inability to promote a 6 per cent growth rate in the Third Plan.

The IMDBI continues, however, to promote some good projects. It is involved with new sugar projects in Isfahan and Khoy. Its glass project is about ready for ground-breaking ceremonies. It has almost completed negotiations with Allied Chemical and an Iranian partner for a $10 million nylon thread plant. It is working with B. F. Goodrich on a PVC plant, but the government's policies on petro-chemical industry are impeding progress. The IMDBI also has the license for a second rolling mill and is being pressured to involve itself in the budding automobile manufacturing industry.

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Mr. Thacher,
Charge d'Affaires a.i.

August 25, 1960

ECON: R. H. Harlan

Unavailability of Leader Grant Nominee Fereydoun MAHDAVI

On August 24 Dr. Mahdavi told me that, after two sleepless nights and much serious thought, he had concluded that it would be unwise for him to accept the very kind offer of the United States Government for him to come to the United States on a Leader Grant. (I had first discussed it with him on August 22.) He said he was deeply grateful for this invitation and he knew that some day he must visit the United States, but that the time was not right for him to go now.

His reasons were basically in terms of his personal security, his political future, and his present employment.

On the former - personal security - he said he was confident that he would receive GOI permission to make the visit, but he knew that he continued to be on the black list. Before he went to Morocco he was reliably informed that when the list of the delegation was shown to the Shah, the name of Fereydoun Mahdavi was immediately challenged by H.I.M. Thus, if he did go to the States, and if he did see his many Iranian friends, most of whom are unsympathetic with the present regime, he would probably be in serious trouble on his return.

As to the second - political future - if he went to the States and did not see his friends, this would not only be personally repugnant to him but would also mean the complete loss of whatever political influence he still may have. Besides, he said, there are elections coming up next year, and while right now the prospects are black, the situation might change in the next twelve months (he expects that the elections would have to be in the end of August or beginning of September, while the universities are still on vacation), and he would have to be out of the country should this occur. He said in the last six weeks before the last election, after an earlier period when the lid was completely on, a number of opportunities for political expression arose.

And, finally, as to the third reason - present employment - he observed that the IMDBI was in the busiest period ever, there were a number of projects under way in which he was deeply involved, and which promised to keep him fully occupied for some months to come, and he did not see how he could in good conscience ask to be away for so long a time.

Dr. Mahdavi reiterated his regret that he was unable to accept this invitation and expressed the hope that he might be considered another year. I joined in the expression of regret, but noted, while assuring him of my continued interest in his possible candidacy another time, that these programs are always uncertain from year to year so that of course no assurances could be given now about what the situation might be next year or thereafter.

cc: Mr. Hall
Mr. Arndt
Mr. Herz
Mr. Conway
NEA/I-Mr. Eliot

ECON:RHHarlan:gsd 8/25/60

FROM MR. ARMITAGE NOV 26, 1969 Feridun MAHDAVI

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(2) Fereidun MAHDAVI, Deputy Director of the IMDBI. Formerly closely associated with the Nationalist Front, Fereidun is now heavily engaged in his work and much interested in Iran's economic progress, particularly in the private sector. Nonetheless, he is interested in the political affairs and, though a bit given to an overly analytical approach, he is one of the most perceptive political creatures in Iran. I lunch with him from time to time. You will have to be reasonably deliberate and cautious in developing his association and confidence. Speaks good German as well as English.

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from Mr Herz 9/9/67

Secret

MAHDAVY, Fereidun. He has become noticeably less radical over the past years, and while still basically in the opposition (on constitutionalist grounds) one can talk with him about current politics now on a much more reasonable basis. At one time he told me that if the Shah were to be assassinated, he would immediately race to the University where he could count on a core of National Front agitators who would sweep along several hundred students; and these in turn would make for the bazaar to bring out even greater crowds to demonstrate for freedom -- and to get ahead of the communists, who surely would be planning to do the same. Lately he seems to have accepted that the regime may evolve in the direction of greater freedom. At any rate, he is so tied up with his work, and so impressed with the economic progress of the country, that he doesn't have much time left for politics, except of course as a very keen observer. A useful and intelligent contact, and in our case also a good friend.

Secret

SECRET

Fereydun MAHDAVI (Phonetic: MAHdahvee) IRAN

Minister of Trade

Addressed as:
Mr. Minister

CENTRAL
REFERENCE SERVICE

Fereydun Mahdavi, about 40, received the newly created Trade portfolio on 27 April 1974. Formerly an uncompromising opponent of the Shah and a leader of the opposition National Front in the early 1960's, he was jailed for 8 months in 1963. By 1967, however, he had become noticeably less radical and had reached some kind of accommodation with the government. From various posts at the Industrial and Mining Development Bank of Iran (IMDBI) he cooperated with the economic agencies of the government.

Mahdavi holds a Ph. D. in economics from Hamburg University. After serving in the Birgmann Wirts Bank of Hamburg for 6 months, he returned to Iran in 1959. He served briefly as financial and economic adviser to the Housing Organization, then went to work for the IMDBI. At the bank he served as an economist in the Economics Department, a staff member of the Investment and Public Relations Department, manager of the Economics Department, assistant to the managing director and finally managing director. He has traveled to Europe.

Mahdavi is financially independent, tough-minded, articulate and courageous. He speaks English and German.

31 July 1974

Fereydun MAHDAVI

SECRET

Classified by: 005300
Exempt from general declassification schedule of E.O. 11652, exemption category: 58(1),(2),(3)
Automatically declassified on Date Impossible to Determine

B,O

AB/SE/ROC
Good job, Stan!

1974

Department of [illegible]

FROM : Amembassy TEHRAN

E.O. 11652: GDS

TAGS: PINR, IR

POL 3
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XEROX

5 DEC 1974

BIOGRAPHIC REPORTING: Dr. Feridun MANDAVI, Minister of Commerce

Dr. Feridun MANDAVI is a case study of the co-opted Iranian radical. As a young man he was a member of the National Council of the since-discredited and now defunct Tudeh Party. Jailed for seven months in 1963 for his pro-Khomeini activities, MANDAVI emerged convinced that the Shah, whom he considered an insincere reformer, was bound to fail if only because the policies of his government were implemented by ignorant and incompetent men. Despite his background he obtained a position almost immediately as Chief of the Economics Department of the Industrial Mining and Development Bank of Iran and from that base, working for national development within the system, he came to believe that the Shah, though distasteful, was all that stood between Iran and chaos. At this point (1968) he still believed that the National Front could play the kind of role in post-Shah Iran if it acted quickly to seize the initiative from the communists. During the next year, as the Shah consolidated his power and the opposition became ever weaker, MANDAVI struggled to maintain his beliefs. But as National Front leaders were either jailed or, like MANDAVI, politically inactive, and as the Shah began to steal the nationalists' thunder through successful reforms and a more independent foreign policy, a note of desperation crept into his arguments and he began to base his hopes for a change of regime on such slender reeds as Iran's "spiritual incentive" among the people. An anti-Soviet nationalist who also favored an even less responsive role for U.S. influence, MANDAVI was concerned that the establishment of a Russian-built steel mill in Isfahan would open communist penetration of the country. He still criticized the government for a less

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from optimum growth rate and failure to develop political institutions but by April 1968 he was advising his student uncle Hossein Mandavi that Iran remained under the security forces and conservative reform and promised little opportunity to anti-regime activity. In the same June opinion of the Shah improved and he came to the conclusion that sustained economic growth must precede any democratic political development. Nevertheless, he was still signalling the Japan Embassy on political developments more concerned at Embassy by his 1936 refusal of a U.S. Senate Committee visit on the grounds that a visit to the United States would involve seeing exiled friends and relatives and would get him in trouble on his return. On the other hand, if he refused to see his old compatriots he would lose whatever influence he still had among the remnants of the National Front. Meeting in 1967-1968 MANDAVI made his commitment to Shah and country and by 1970 he was deeply involved in economic projects of many sorts and becoming ever more closely identified with the Government's projects. His appointment in April, 1974 as Minister of Commerce put the final seal on his evolution from potential political [illegible] to party [illegible] establishment seeking to change the system by working through the system.

[illegible] In 1933 MANDAVI [illegible] and were prominent [illegible] Shah he has connections [illegible] Pahlavi [illegible] families reportedly [illegible] the Shah's [illegible] sister, Princess [illegible] was a [illegible] of the wealthy prominent [illegible] family [illegible] Iran.

MANDAVI took his "bac" [illegible] later [illegible] at Nanterre in 1937 and studied for six [illegible] at Paris in the Ecole Libre des Sciences Politiques [illegible] to return as a member of the Pahlavi Morality Brand. [illegible] he was employed by the Army-General Inspectorate, Mining and Industrial Bank of Iran (IMIB). Following [illegible] 1941, he returned to IMIB, be returned by the Iran Chamber of Commerce [illegible] and rose to Deputy Managing Director [illegible] while serving with IMIB he was instrumental [illegible] which came into [illegible] Company Bureau, of [illegible] Pahlavi [illegible] Foundation of Iran [illegible]

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Dr. MAHDAVI, who speaks German and English in addition to Farsi, has proven himself to be a dynamic, capable and ambitious individual. Over the years he has maintained a close relationship with the Embassy, occasionally volunteering information to Embassy officers in confidence, and remains a perceptive observer of the Iranian political scene.

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Fereydun MAHDAVI, Minister of State

Fereydun Mahdavi, Minister of State, is much more widely known for his activities as the first Minister of Commerce from April 1974 until early 1976 when he fell from grace just before the outbreak of a series of sugar scandals. While Mahdavi was never publicly implicated, he was a deliberate and willing participant, according to evidence gathered by GOI officials. During the same period, Mahdavi was Deputy Secretary General of the Rastahkiz Party (RPPI). For the past year, Mahdavi has kept a low profile, perhaps atoning for his participation in the sugar price fixing.

As a young man in the early 1960's, Mahdavi was a radical member of the National Front and was jailed for seven months in 1963 for his oppositionist activities. After his release from prison, he obtained a high level position as Chief of the Economics Department of the Industrial Mining and Development Bank of Iran (IMDBI) and by 1968 had been co-opted into the system. His career moved rapidly upward, culminating in the 1974 appointment as Minister of Commerce. He is a capable young technocrat, now about 45, who has always been the Prime Minister's, not the Shah's, man. It is reasonable to assume that another Cabinet appointment might be tendered after he has paid a suitable penance.

Dr. Mahdavi has a pleasant and polished personality but has always been tough-minded and articulate in his efforts to change the economic face of Iran. While Minister of Commerce, he was accessible and friendly to Embassy officials but could be blunt in a nice way. He received his baccalaureate degree in Paris, obtained a Ph.D. in economics from the University of Hamburg, Germany and rounded out his training at the London School of Economics. A member of one of Iran's larger and more influential landowning/merchant families, he married into the equally well-connected Akhavan family. He and his wife, an interior decorator, have no children. One of his relatives is reported to be the husband of the Shah's twin sister, Princess Ashraf. He has traveled extensively in Europe but not to the United States. Dr. Mahdavi speaks English and German fluently and with a sense of humor.